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U.S., EEC CRITICIZED AT FINANCIAL MEETING

PA042251 Buenos Aires LATIN in Spanish 0350 GMT 4 Apr 79 PA

[Excerpt] Santo Domingo, 3 Apr (LATIN)--At the opening of the ninth regular meeting of the Latin American Association of Financial Institutions for Development today, the United States and the EEC were criticized for their protectionist policies which favor their sugar producers and which are detrimental to the countries that are traditional exporters of this product.

Eduardo Fernandez, president of the meeting and governor of the Central Bank of the Dominican Republic, delivered a speech warning that these protectionist measures create very serious problems for the developing countries and noting that a more just international order is necessary.

Fernandez said that this is the reason why President Antonio Guzman asked several chiefs of government during his recent trip to Venezuela to sign a document addressed to the oil-producing countries. In that document, Fernandez noted, the members of the OPEC were asked to give greater financial facilities to the poor countries which do not produce oil as a way of compensation for the effects that the oil price hikes have on them.

Fernandez said that the United States protects its less efficient sugar producers by imposing large duties on sugar imported generally from poor countries.

Regarding the EEC, Fernandez said that it not only protects its noncompetitive producers but also subsidizes the production of sugar, which it places on the international market in open competition. The result of this policy is a decrease in the income of exporters of traditional products, such as the Dominican Republic, which have had to incur a higher level of debts and have been subject to import restrictions that could negatively affect their production capacity.

President Guzman, who also delivered a speech, noted that his country's situation is difficult because it has to confront events which are out of its control, events which have darkened the future as a result of the drop in the prices of its main export products and the oil price increase.

BOLIVIA, COLOMBIA, PANAMA BACK MONETARY FUND

PY050320 La Paz Radio Panamericana Network in Spanish 0000 GMT 5 Apr 79 PY

[Text] Bolivia, Colombia and Panama have voiced their support for the creation of a Latin American monetary fund, a Peruvian proposal which is gaining momentum. This information was provided in Lima by Foreign Minister Carlos Garcia Bedoya, who added that the initiative must be given a concrete form reflecting the Latin American countries' awareness of their own monetary problems.

TUNGSTEN PRODUCERS TO SEEK STABILIZATION THROUGH UNCTAD

PY042115 La Paz EL DIARIO in Spanish 27 Mar 79 p 4 PY

[Text] Representatives of tungsten-producing countries on business and government levels who gathered in Santa Cruz de la Sierra agreed in their points of view aimed at emphasizing the proposal on the stabilization of prices for this raw material at the United Nations Conference on Trade and Development [UNCTAD].

According to reports from persons attending the meeting, which took place 21-22 March, it was said that the Bolivian Government was the most concerned over the discouraging results so far of stabilizing the tungsten market, and over the need to outline the steps to be followed and which should be put into practice when the preparatory work group of UNCTAD meets in September.

Government and business representatives from Austria, Bolivia, Brazil, the PRC, Mexico, Peru, Portugal and Thailand, which added up to 24 persons, agreed to issue a "press communique" pointing out that the delegations had the opportunity to state their points of view "concerning the development of steps to be taken to achieve the price stabilization on the tungsten market. Further on, it points out that "the delegations discussed the progress with UNCTAD, aimed at whatever else could be done to promote that stabilization."

The communique points out that the meeting chose courses of action to be reviewed by the participating governments before the next meeting which the preparatory work group for tungsten will hold in September. Some of these courses of action will be presented to UNCTAD "as constructive proposals aimed at the attainment of positive results."

Finally, it is stressed that an agreement has been reached by which, as of today, the contacts between tungsten-producing countries will deal with definite (?proposals) until and after the meeting to take place in September, aimed at attaining a satisfactory agreement.

NAMUCAR MEETING TO DISCUSS LOSSES, EFFICIENCY MEASURES

FL041837 Kingston Domestic Service in English 1530 GMT 4 Apr 79 FL

[Text] A meeting of the shareholders of the Caribbean Multinational Shipping Company [NAMUCAR] opens tomorrow at the [name indictinct] beach Hyatt Hotel in Ocho Rios. The 2-day meeting will be attended by delegates from Mexico, Trinidad and Tobago, Venezuela, Costa Rica, Nicaragua and Cuba--all shareholders in the shipping line. Jamaica's delegation to the meeting will be headed by Public Utilities Minister Carlyle Dunkley. It includes the permanent secretary in the Public Utilities Ministry, [name indistinct], and the chairman of the Port Authority, Mr (Noel Hilton). Among the matters which are to be discussed are the losses being incurred by NAMUCAR and ways to insure quota efficiency. NAMUCAR offers a regular shipping service and its vessels ply between several countries in the Caribbean zone.

PRESIDENT SAYS NEXT GOVERNMENT MAY NOT BE COALITION

PY041504 Buenos Aires TELAM in Spanish 0050 GMT 4 Apr 79 PY

[Excerpts] Neuquen, 3 Apr (TELAM)--President Lt Gen Jorge Rafael Videla (ret) asserted here today that the next government "will not necessarily" be a coalition of civilians and military. He made this remark during the course of a press conference given at Neuquen government house at the conclusion of his 2-day visit to this province and just before returning to the federal capital.

He defined the civilian-military convergence not as an outlet toward a coalition government of civilians and military, but as an enriching stage of the political project which will be made known very soon by the armed forces. In this sense, he repeated that only subversive and corrupt people and those who exclude themselves will be absent from this contribution.

FRENCH BUDGET MINISTER HERE ON OFFICIAL VISIT

Statement by French Minister

PY031806 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1243 GMT 3 Apr 79 PY

[Text] Cordoba, 3 Apr (NA)--French Budget Minister Maurice Papon has stated here that "economic balance must always be sought, but without neglecting the principle that the greatest (?human) value at both the political and economic levels is freedom." The high-ranking French official visited this city and held talks with government officials and executives of the Renault Argentina Enterprise. He indicated that "France is convinced of the benefits of free competition and of the improvement of the (?standard) of living." "France believes that what is good for it is also good for others, but each country has it own system which must be respected. France does not interfere in the domestic affairs of other countries," Papon stressed.

According to Minister Papon, the overall policy implemented in France "forces private enterprise to take the initiative." He emphasized that "the government can and must support it, but it is up to the businessman to take the initiative. This applies to both French and Argentines. The governments of the two countries must mediate to allow the businessmen of the two sectors [as received] to reach agreements for investments."

The high-ranking French official left this morning for the federal capital, where he will fulfill the other commitments of his agenda.

Papon-Martinez de Hoz Meeting

PY032348 Buenos Aires TELAM in Spanish 1457 GMT 3 Apr 79 PY

[Text] Buenos Aires, 3 Apr (TELAM)--French Budget Minister Maurice Papon held a meeting today with Economy Minister Jose Alfredo Martinez de Hoz. Also present at the meeting were some Economy Ministry officials.

The Economy Ministry did not supply any information at the end of the meeting and only the attendance of the French minister was confirmed, but there is no information on (?what was discussed) when the French minister met with Juan Aleman, finance secretary, and Alejandro Estrada, secretary of trade and international economic negotiations.

It is taken for granted that the objective of these meetings is to promote the trade level between the two countries and to discuss the last details of the agreement to be signed tomorrow to prevent double taxation.

Received by Videla

PY042242 Buenos Aires Domestic Service in Spanish 2000 GMT 4 Apr 79 PY

[Text] The national press office reported that President Jorge Rafael Videla met with French Budget Minister Maurice Papon at 1000 this morning. Papon, who has been visiting the country since last Sunday, came to greet the president in the company of Economy Minister Alfredo Martinez de Hoz, Argentine Ambassador to France Tomas de Anchorena and French Ambassador to Argentina Bernard Jean Ives Destremau.

CASTRO MADERO QUERIED ON HARRISBURG ACCIDENT

PY042147 Buenos Aires TELAM in Spanish 1715 GMT 4 Apr 79 PY

[By Roberto Traini]

[Text] Buenos Aires, 4 Apr (TELAM)--After the opening of the technical proposals for the nuclear plant, Rear Adm Carlos Castro Madero gave his opinion on the problem of the Harrisburg nuclear plant during an informal press conference. He also referred to the Argentine plan.

He remarked that "we are very concerned about the accident at the U.S. nuclear plant, but I believe it has already been resolved--an almost assured outcome considering existing technology and, above all, the security measures which were taken."

In answer to a question, he said that "the basics of this event reside in the negative implications which this accident will have on nuclear development throughout the world because it will provide many arguments for the antinuclear movements which are appearing in larger numbers."

He remarked that the "badly managed information which was continuously released by the politicians and not the technicians--the ones who really had a complete knowledge of the problem--exaggerated the accident."

He indicated that the accident at the U.S. nuclear plant, according to the information he had, was due to two reasons: one technical and the other human.

The U.S. nuclear plant has certain characteristics which "ours does not have, such as the feeding of the steam generators which have their entry through an elbow over the generator itself. If, and this is what happened, the level of steam is increased, the passage of the cooling liquid is made difficult and becomes obstructed."

If this happens, an emergency system begins to function which [words indistinct] excess pressure. This produces an "escape" ["vaciamento"] from the cooling system which has become very hot due to the production of hydrogen. "Instead, in our plants this system is automatic and therefore accidents such as the one in the United States could never happen here."

Answering another question, he indicated that evacuation had been talked about continuously and had not yet been carried out 6 days after the accident. Such an evacuation would be absurd, he said, "because the radiation within the plant's perimeter fence [verja] was between 1 and 5 millirems [niveles de radiacion] and although this is above normal levels it is in no way a serious danger.

"In addition, the photographs show journalists and the public just outside the plant's fence waiting for information. If the danger had been that great, nobody would have been allowed to approach the fence. Therefore, I find it difficult to believe that there is a need for evacuating the population, even evacuating pregnant women and children while leaving other adults behind, because although the danger for the former is greater it is also so insignificant that if there is an evacuation it should include everyone."

Regarding the antinuclear movements, Castro Madero indicated that they are very complex. There are political connotations which, on the one hand, exercise pressure to stop the Western world's development, but, on the other hand, there is also an increasing concern for the preservation of the environment.

Regarding the signing of the nuclear nonproliferation treaty, he indicated that despite the fact it was not a commission of the National Atomic Energy Commission, he was able to report that the government had adopted the position of not signing the document because it believed it to be discriminatory. "It violates the principle of the legal equality of nations," he said.

Regarding Canada and the FRG, which are supposed to have safeguards, these safeguards will be studied and if they are in accordance with Argentine ideas they will be signed. "Argentina," he said, clarifying another question, "has never refused to sign bilateral safeguards."

He then explained that the four plants are to be negotiated as a package. In other words, the enterprise which builds the first plant will then go on to build the others. Argentina's expenditure for this nuclear plan amounts to between $4 and 4.5 billion.

He added: "We believe that 50 percent of the expenditure can be self-financed by placing the nuclear plants in operation and the other 50 percent will be covered through foreign financing."

Finally, he indicated that technological support is being given to Peru, Bolivia, Ecuador and Uruguay and that, once a treaty has been signed, an exchange of information and support will be undertaken with Venezuela.

ALPARGATAS OWNERS CLOSE FACTORIES IN RESPONSE TO STRIKE

PY040233 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2210 GMT 3 Apr 79 PY

[Excerpt] Buenos Aires, 3 Apr (NA)--The labor conflict deteriorated today when after the workers refused to lift the stoppage at the three Alpargatas factories the employers decided to submit the case to the federal court and close the factories until further notice. The situation deteriorated during the first hours of the day when those workers who had been carrying out the stoppage since last Friday were removed from the place of work during the night shift and later when the entrance of workers scheduled for the following shifts was obstructed. The removal of the workers from all the factories located near 1000 and 1100 Patricios Avenue in the industrial neighborhood of Barracas took place last night after the workers decided to continue the stoppage, thus ignoring an appeal made by the labor minister, who reminded them of the enforcement of Law No 21,400.

Yesterday, at approximately 1930, public notaries arrived at the site. After the notaries issued a memorandum, the workers were told to leave the factories, which they did in an orderly manner. The enterprise today at noon issued a communique in which, after detailing the events of the last few days, it discloses its decision to close the factories until further notice. Furthermore, it reports that it has submitted the case to the federal courts in accordance with Law No 21,400.

STRIKES CONTINUE AT METAL PLANTS; EIGHT FIRED

PY042107 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1515 GMT 4 Apr 79 PY

[Excerpt] Buenos Aires, 4 Apr (NA)--The stoppage at the Sudamericana de Envases Centenera Saci Enterprise continues. It is a metallurgical plant located in the federal capital neighborhood of Nueva Pompeya and since yesterday it has been under the protection of security forces.

Meanwhile, labor sources of the Guillermo Decker Enterprise, another metallurgical plant located in Nueva Pompeya, indicated that the firm fired eight workers as a consequence of the salary conflict resulting in the stoppage which began last week. According to sources, work would have resumed yesterday in view of a ministry order, but this did not happen once the news of the dismissals was made known.

Regarding the Olivetti plant, there was no confirmation from the firm's sources regarding a union report that the workers of the plant, located at kilometer 33 of Route No 77 in the Buenos Aires Province town of Merlo, had begun a work stoppage.

BRIEFS

ANTARCTIC MISSION ENDS--Buenos Aires, 3 Apr (TELAM)--The icebreaker "General San Martin" and the transport "Bahia Aguirre" have returned from their 1978-79 Antarctic mission to the Buenos Aires port. [Buenos Aires TELAM in Spanish 2017 GMT 3 Apr 79 PY]

PANAMA TO PRESENT SEA OUTLET PROBLEM TO UN

PY040128 La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 3 Apr 79 PY

[Text] The Panamanian Government, through its legal adviser (Eligio Salas), revealed to the president of the military junta, Gen David Padilla, the Panamanian Government's decision to submit the Bolivian maritime problem to the United Nations.

The Panamanian Government's decision was disclosed in government house at noon today during a meeting held by (Salas) with the chief of state. (Salas) said that the problem of the Bolivian landlocked situation will be submitted during the meeting of nonalined countries to be held in Havana, Cuba, next November. He also pointed out that the Bolivian president sent a message of thanks to his Panamanian counterpart, Aristides Royo, for his demonstration of solidarity for the just Bolivian maritime cause.

PADILLA ANNOUNCES AUSTERITY BUDGET MEASURES

PY042133 La Paz INFOBOL Diplomatic Information Service in Spanish 0606 GMT 4 Apr 79 PY

[Text] President David Padilla has ordered a series of measures for the implementation of the 1979 budget in order to fulfill the goal of austerity through a decrease in public expenditures and their strict control.

Among the more important instructions are the budget control of public and mixed enterprises and the preparation of monthly reports by these enterprises, which will be checked by the interventor to be appointed by the federal comptroller's office. Other measures prohibit salary increases, job reclassifications, bonuses and other increases during this budget year. He also pointed out that national holiday and Christmas bonuses would not be granted to officials posted abroad.

The president also ordered a series of measures designed to achieve greater coordination among state enterprises.

BOLIVIAN-USSR JOINT COMMISSION BEGINS SESSIONS

PY050107 La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 4 Apr 79 PY

[Text] The first meeting of the Bolivian-USSR intergovernmental permanent commission to study Soviet cooperation programs in the technological and scientific fields began today after a solemn ceremony held in the Foreign Ministry.

After the first session, Soviet Ambassador Boris Kazantsev talked to reporters and emphasized the democratization process the country is currently experiencing. The Soviet diplomat said that this situation will help Soviet cooperation in science and technology in accordance with the agreement signed between the two countries on 15 July 1970.

The USSR mission is represented by three specialists from the Soviet Foreign Ministry and the Bolivian delegation is comprised of representatives of the Foreign Ministry, Planning Ministry, the Bolivian Mining Corporation, the National Foundry Enterprise and the Bolivian Iron and Steel Enterprise. The meetings will end Friday.

BANZER INTERVIEWED ON COUPIST RUMORS, ELECTIONS

PY041420 La Paz EL DIARIO in Spanish 27 Mar 79 p 3 PY

[Text] "No one can give an opinion on something that has not happened," Gen Hugo Banzer stated yesterday when asked by an EL DIARIO journalist about a statement issued by a political party expressing its concern over alleged coup attempts to stop the electoral process.

EL DIARIO asked: Are you a coupist, General Banzer?

[Answer] I am a respected person. After having been president of the nation I cannot become a vulgar subversive. I am aware that a coup is not a solution for the problems our country is confronting.

EL DIARIO obtained an exclusive interview minutes before the former president and the national leader of the ADN [Nationalist Democratic Action] boarded a plane to take them to Santa Cruz.

He was asked during the interview if he believes there is an atmosphere of democratic rights and guarantees. This is his answer: "I suppose the present government is also convinced that I am a coupist since security agents from the Interior Ministry have not let me alone since my arrival. I understand that they have to fulfill their duty. They do not bother me. On the contrary, I understand them. They know me and when they see me they greet me."

He reasserted that all this precaution is quite unnecessary since he does not place himself among those persons who are traditionally involved in subversive activity. He added, nevertheless, that "a coup could be instigated so I could be blamed later and changes could thus be sought in the structure of the present government."

Asked if he supports a postponement of the elections, he noted that despite the fact that his party emerged only 2 days ago and that the time factor is against it, he still wishes the elections to be held on the scheduled date. "We are against any postponement of the elections because the country cannot live in this uncertain situation. It is better for political positions to be made clear."

He was also asked about a recent statement issued by labor leader Juan Lechin against the armed forces.

[Answer] "It does not surprise me. It should not be a surprise to anyone because it is not the first time Lechin has made this kind of statement. I would like to remind the people and the armed forces that when I was commander of the military school, I and then Colonel Edmundo Valencia came out in defense of the armed forces in view of a similar statement issued by Lechin. We summoned him to a public debate but at the time he refused to hold a debate and decided to leave the country."

Banzer added that "if the High Command had not published a document yesterday refuting Lechin's statement, I would have defended the armed forces although I am not an active member."

SOCIALIST PARTY CONFIRMS SILES SALINAS AS CANDIDATE

PY040358 La Paz EL DIARIO in Spanish 30 Mar 79 p 5 PY

[Excerpt] The Socialist Party has decided to confirm the Siles Salinas-Aponte Burela slate for the next July election.

This decision was made at the first national conference of the Socialist Party, headed by Guillermo Aponte, recently held in this city.

PEASANT MOVEMENT TO JOIN ALLIANCE, BREAK WITH UDP

PY041449 La Paz EL DIARIO in Spanish 27 Mar 79 p 4 PY

[Text] The Tuca Kataria Revolutionary Movement [MRTK] has decided to hold negotiations with the alliance of the MNR [National Revolutionary Movement], FRA [Authentic Revolutionary Party], PDC [Christian Democratic Party] and FRI [Revolutionary Front of the Left] to arrive at an election agreement and become a member of this front with all the rights and duties of the organizations it includes.

The MRTK, which groups together the majority of Bolivian peasants, arrived at this decision at the end of its first national congress last weekend. During the congress the MRTK decided to break definitively with the Democratic and Popular Unity Front [UDP].

The First MRTK Congress decided to grant the members of its Executive Committee full powers to start negotiations with the alliance, led by Victor Paz Estenssoro, to become members of the alliance, according to MRTK leaders.

They noted that the negotiations with leaders of the National Revolutionary Alliance will start today "if the resolution of the congress states that these may begin immediately."

The MRTK was previously a member of the UDP, which supported candidate Hernan Siles, but later it withdrew from this front together with Luis Adolfo Siles Salinas as a result of a difference of opinions regarding the new list of candidates for the 1 July elections.

OILWORKERS ASK FOR END TO YPFB SUBSIDIES

PY042136 La Paz INFOBOL Diplomatic Information Service in Spanish 0612 GMT 4 Apr 79 PY

[Text] Union leaders from the oil industry are demanding the suspension of subsidized prices for fuels sold in the country in order to improve the dramatic economic-financial situation of Bolivian Government Oil Deposits [YPFB].

Eduardo Davalos Teran, executive secretary of the Federation of Oil Industry Workers, spoke during the inauguration of the first conference of secretaries general of the country's oil organizations. He demanded that the government raise fuel prices since the present subsidized price levels are fictitious and are seriously affecting YPFB's economic situation.

Davalos said that in addition to this problem, there has also been a suspension of oil sales abroad, an increase in domestic consumption and low production.

The oil industry leader rejected the immediate suspension of subsidized prices which the government has granted to the transportation sector and others for the past 43 years.

FRG CHANCELLOR SCHMIDT CONTINUES VISIT; COMMUNIQUE SIGNED

Schmidt Banquet Speech

PY042359 Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Apr 79 p 4 PY

[Speech by FRG Chancellor Helmut Schmidt at Banquet in Itamaraty, Brasilia, on 3 April]

[Excerpts] On behalf of my wife and members of my delegation, I wish to sincerely thank Your Excellency for the extremely cordial words of welcome addressed to us. We can highly appreciate the warm welcome and hospitality offered to us by Your Excellency so shortly after taking the reins of government.

The fact that my first trip to Latin America begins in Brazil is certainly a deliberate choice considering the size of this country, the size of its population and its rapid development, giving Brazil a position of great responsibility in Latin America and the world. And there is another reason: the understanding and friendship binding my country and yours together.

Mr President, during the visit of your predecessor, President Ernesto Geisel, to the FRG, a joint declaration was signed on 10 March 1978 stating our determination to further our understanding and cooperation as well as to intensify an exchange of viewpoints. Since then we have taken great strides in that direction.

Our cooperation in the field of peaceful uses of nuclear energy is characterized by its sense of responsibility, realism and balance.

Mr President, ladies and gentlemen: It is not sufficient, however, to evaluate our relations only from the bilateral standpoint. We should be acutely aware of the extent to which we still depend on the stability and peaceful development of all other nations as well.

Economic interdependence at the international level and the North-South disparity demand from us cooperation and policies aimed at properly accommodating interests in the international context. Neither the suppliers of industrial goods nor the suppliers of raw materials or oil have the right to exert dominion or tutelage over others. Both the FRG and Brazil realize these days how much we depend on the large producers and suppliers of fuel material; how much we expect OPEC countries, although the defense of their national interests is justified, not to lose sight of how much can be demanded from the world economy, and particularly of developing countries, in terms of restriction on energy consumption or in terms of capacity to pay for imports of other goods. Just as we are making efforts to develop alternate energy sources such as solar and wind energy and to implement an adequate energy policy in conjunction with other industrialized countries, we are also willing to encourage international cooperation regarding other raw materials and basic products. The question is, in the first place, maintaining and improving an international economy open to trade and investment, and making that international economy work effectively. Reaching this goal will only be possible if we all think of one another as equal partners and attempt through frank dialog to commit ourselves to a free, flexible and effective economic order, an economic order in which developing countries can also achieve the progress to which they rightfully aspire.

Mr President, all efforts undertaken by our governments as well as by all other governments which attach value to social justice and to human life with dignity will be useless if we fail to maintain peace, which is the foundation for the very existence of all of us. [paragraph continues]

We are following with concern the conflicts in the Near and the Far East, as well as the belligerent moves in Africa. The threats to peace have not been eliminated. My own people live in a divided Europe, in a divided country through which runs the line of separation between East and West, splitting the city of Berlin, the old capital of Germany.

The security of the FRG is indispensably related to our connections with NATO, the mainstay of which is--without disregarding our partners in the alliance--our solid friendship with the United States and Canada. This destiny of having to live at the crossroads of East and West in Europe marks a great difference between my country and your country.

Figueiredo-Schmidt Meetings

PY050249 Brasilia Domestic Service in Portuguese 2200 GMT 4 Apr 79 PY

[Excerpts] Today at 1000, President Figueiredo met FRG Chancellor Helmut Schmidt. At 1700, Figueiredo and Schmidt met again in Planalto Palace.

The first work meeting held by Schmidt and Figueiredo lasted 2 hours. The two chiefs of state evaluated the current international situation, the Planalto Palace press office reported. The meeting was also attended by FRG Ambassador Georg Kastl, Brazilian Foreign Minister Ramiro Saraiva Guerreiro and by members of Schmidt's entourage.

Keeping to his official schedule, Schmidt went to the National Congress after leaving Planalto Palace.

During the second work meeting they held today, the two chiefs of state established the guidelines of the joint communique which was later released ty Itamaraty.

In the Cabinet meeting room, President Figueiredo delivered a speech to express his satisfaction at receiving the FRG chancellor and the members of his entourage. He emphasized the scientific and technological capability, the dedicated spirit and work of the German people.

After stating that the visit of the FRG statesman is tangible evidence of the significant relations linking the two peoples, President Figueiredo reaffirmed his belief that Brazil and the FRG, after this visit and these meetings, will continue for many years to share the same path in their international relations, based on frank discussions, fruitful cooperation and, in general, on mutual good will.

Commenting on the visit Chancellor Schmidt will make to other Brazilian cities, Figueiredo stated that the visitors will have the chance to become acquainted with the soul of the Brazilian people and with those aspirations which bring nations closer together. The president also expressed his hope that these contacts may allow them to become aware of the Brazilian reality.

After expressing thanks for the honors he received, Chancellor Schmidt introduced the members of his entourage to President Figueiredo. On this occasion, Schmidt invited Figueiredo to visit the FRG.

Schmidt Remarks

PY050352 Buenos Aires LATIN in Spanish 0231 GMT 5 Apr 79 PY

[Text] Brasilia, 4 Apr (LATIN)--FRG Chancellor Helmut Schmidt announced here today that Brazil and his country will propose an international meeting to discuss the dangers involved in nuclear techniques in view of the accident which took place in a U.S. plant.

Schmidt made this announcement at a press conference with which he virtually ended his visit to this capital because tomorrow he will be going to Sao Paulo.

On this occasion, Schmidt emphasized that "guarantees and safety factors will have to be revised and reinforced" since there are dangers such as the utilization of part of the nuclear waste for belligerent purposes, proliferation and those dangers stemming from the operation of the reactors.

He added that the nuclear issue was one of the matters he discussed today with President Joao Baptista Figueiredo, with whom he held two private meetings and whom he invited to visit the FRG at a time to be set through diplomatic channels.

He pointed out that this matter was discussed as a result of the problem which occurred at the U.S. Harrisburg nuclear plant. He added that the FRG and Brazil will maintain their policies of providing guarantees to their countries and will propose an international meeting to discuss this issue.

The head of the FRG Government said that during his conversations with Figueiredo he was not told of any Brazilian desire to revise the nuclear agreement signed between the two countries in 1975. He recalled that the Brazilian president said last night that his country intends to respect the entire agreement and that this was reiterated during the conversations held today. He also added that Germany has no reason to change its position on this matter since this is a final agreement.

He emphasized the important economic and commercial growth of Brazil, which he labeled as an "industrialized country," and he discussed with Figueiredo the great possibilities to expand the "fantastic" bilateral trade cooperation.

He confirmed that the subject of protectionism adopted by industrialized countries was another matter discussed during the meetings with the Brazilian chief of state and that the FRG will maintain its position against this practice. He warned, however, that solidarity must be upheld by both sides and he requested people to ponder the protection barriers which developing countries are also adopting against products from industrialized countries. He explained that the UNCTAD meeting to be held in Manila may yield fruitful results to arrive at agreements which will enable the eradication of these protectionist policies.

Schmidt also held a meeting this afternoon with Msgr Aloisio Lorscheider, president of the Latin American Episcopal Conference (CELAM), who in a statement to the press said he asked Schmidt to promote a new international order which will recognize the fundamental equality of human rights and the creation of effective mechanisms to protect these rights.

In this regard, a joint communique issued tonight by Schmidt and Figueiredo states that both "feel that the guarantee of human rights is one of the permanent objectives of the policies of their respective governments."

During a press conference, Schmidt stated that "he follows with interest and with watchful and approving eyes" the political opening in Brazil and that he believes Figueiredo has made this political opening "his main objective."

Report on Communique, Protocols

LD050932 Hamburg DPA in German 0724 GMT 5 Apr 79 LD

[Excerpts] Brasilia--Federal Chancellor Helmut Schmidt and Brazilian head of state Joao Baptista Figueiredo have reaffirmed at the conclusion of their talks in Brasilia their complete determination to fulfill the agreements concluded between the two states on the peaceful use of nuclear energy. This is stated in a communique published on Wednesday night in Brasilia in which both statesmen stress the necessity of expanding their bilateral relations still further. The next stops in Schmidt's visit to Brazil are Sao Paulo, Rio de Janeiro and Salvador. He is accompanied by well-known industrialists, trade unionists and scientists.

Schmidt and Figueiredo had two intensive discussions in Brasilia on topical problems of world politics and the international economic situation. According to Schmidt, there were no expressed differences in their points of view. The two leading politicians expressed deep concern for the inflationary trends in the world, the spread of protectionist policies and also the dangers resulting from the OPEC oil price increases.

Schmidt and Figueiredo said that they were "very satisfied" with bilateral relations. They stress in the communique that the chancellor's visit has contributed towards the "consolidation and strengthening" of German-Brazilian relations.

During the visit, a shipping agreement as well as protocols on financial aid amounting to DM50 million were signed in Brasilia. Figueiredo accepted Schmidt's invitation to pay a visit to the Federal Republic. A date is still to be fixed.

Schmidt told the press that the Federal Republic was following Brazil's democratic opening with "great interest and sympathy."

JORNAL QUESTIONS RELIABILITY OF NUCLEAR CONTROLS

PY041527 Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 Apr 79 p 10 PY

[Editorial: "Atoms Out of Control"]

[Text] The accident which occurred at the Three Mile Island nuclear plant in the United States leaves a number of lessons which are applicable not only to the American society, but to all nations and to the entire complex of interests involved in the atom and its peaceful exploitation.

First of all, it has clearly demonstrated human fallibility in a field in which technicians arrogantly contended until today that they had achieved absolute perfection. In general, security guidelines in nuclear plants are (or were) so strict that one of the examples which was more frequently used was that of the plane which did not fly.

According to this example, nuclear plants are surrounded by so many protective measures and safeguards that if they were planes, they would never be able to take off. Being tied to the ground, the worst damage they could cause would be minor injuries to their passengers. Is this right or wrong?

The Three Mile Island radiation leak has proved that a nuclear plant is just as fallible as any other manmade device, and that the risk margin is dreadfully real. Furthermore, it has proved that modern science, no matter how advanced it may be, is still human and therefore scientists can no longer treat their critics with the same arrogance they have been displaying over the years.

In a society like the United States in which the people vigorously state their views, the accident also revealed the extent of the interests at stake. It is with perplexity that some suddenly become aware of contradictions between the Nuclear Regulatory Commission (a federal government organization) and the spokesmen of the industries involved, which bring an awesome set of conflicts to the surface.

To underline the labyrinth which has encircled nuclear energy, a certain film explores a series of realistic, although difficult-to-prove hypotheses. Up to what point will the groups involved be willing to preserve a setup they consider perfect? Until the first reactor fails, showing its hidden facet of inefficiency and imperfection?

It has been said that the difference between fiction and reality lies in the fact that reality does not contain fiction. This, in fact, is what the accident at Three Mile Island is demonstrating in a cruel and relentless manner. The results are already becoming apparent: President Carter himself mentioned stricter control at nuclear plants, and Congress, with all its capacity for action, is also willing to get to the bottom of the causes and consequences of the accident.

All this has happened in an open society such as the United States, where political debate is intense and the system of scrutiny spares nothing. Now, transfer the same situation to Pakistan, for example, where a former prime minister, now condemned to death by his successor, decides to buy a complete nuclear system from France which, in effect, gives it the power to handle plutonium.

This is reality. When he is executed, Mr Bhutto of Pakistan will take with him to the grave the ideas which inspired him and the interests which encouraged him. Will Pakistan someday pay for what he began? Only history will tell.

In the case of Brazil, we are a developing nation which hopes to explore all paths and all alternatives available in the energy field. Nothing could be more legitimate. And naturally we should not discard nuclear energy as an alternate source of power in a world with increasingly scarce oil supplies. Nonetheless, at what price are we building our nuclear complex? With what safety margins for the surrounding population? With what legitimacy from the point of view of international options? With what supervision by Congress? With what degree of accessibility for international auditors who could eventually disagree with the "last word" of the project's bosses in the federal government?

Three Mile Island has been a lesson for the Americans. It should also be a lesson for Brazilians.

NEED FOR REVIEWING NUCLEAR PROGRAM DEBATED IN CONGRESS

Opposition Deputies

PY032040 Paris AFP in Spanish 1721 GMT 3 Apr 79 PY

[Excerpts] Brasilia, 2 Apr (AFP)--It was reported here today that the suspension of the Brazilian nuclear program was requested yesterday, Monday, at the National Congress by opposition Deputy Marcos Freire, but that the government intends to continue the construction of nuclear plants in the country. As a result of the accident which occurred last Wednesday at the Three Mile Island nuclear plant in the United States, Freire requested the immediate suspension of the nuclear program and two other congressmen requested a new study of the cooperation agreement signed in 1975 with the FRG.

The deputy stated that while the U.S. people begin to panic, we are continuing with the construction of several nuclear plants without consulting the people of the scientific community. Two other opposition parliamentarians, Senators Franco Montoro and Itamar Franco, also requested a new study of the nuclear program in view of the accident which occurred in Pennsylvania.

Three nuclear plants are being built or are about to be finished in Angra Dos Reis, on the Atlantic coast west of Rio de Janeiro. The U.S. firm of Westinghouse is building one of them. The other two are the first of eight plants which should be installed in Brazil by 1990 in accordance with the nuclear cooperation contrast signed in 1975 with the FRG. The three reactors are of the same type as the one which just suffered an accident at Three Mile Island.

ARENA Senator

PY040138 Brasilia Domestic Service in Portuguese 2200 GMT 3 Apr 79 PY

[From the "Congressional Report"]

[Text] Taking the floor in the name of the majority leadership, Senator Murilo Badaro [National Renewal Alliance (ARENA), Minas Gerais State] stated today that the Brazilian nuclear program is not aimed at hegemonic purposes, noting that it is basically designed to generate electricity and to provide Brazil with the complete technology on the nuclear processing cycle. Badaro denied reports on delays in the program, stating that like any nuclear program, the Brazilian program requires a long time and will not be implemented in less than 15 years. Commenting on safety, Badaro said that according to technical specifications, the Brazilian reactors are different from those of Pennsylvania and that nuclear accidents such as that which happened in the United States are not likely to happen in Brazil.

Badaro also charged that there is a pocket of forces opposing the Brazilian nuclear program, citing as an example the charges made by the German magazine DER SPIEGEL. Badaro also expressed his surprise over the fact that Senator Marcos Freire [Brazilian Democratic Movement, MDB, Pernambuco State] raised the nuclear agreement issue on the very day in which FRG Chancellor Helmut Schmidt is visiting Brazil. Senators Marcos Freire and Paulo Brossard stated that they did not see any reason why this issue could not be raised today. After listening to remarks made by MDB Senators Franco Montoro and Gilvan Rocha, Badaro concluded by stating that Brazil will strictly comply with every commitment it assumed in the nuclear agreement.

CUBILLOS SAYS BOLIVIA 'WRONG' IN USING EVASIVE APPROACH

PY050118 Santiago Chile Domestic Service in Spanish 1730 GMT 4 Apr 79 PY

[Recorded portions in quotation marks]

[Text] The Bolivian Government is wrong in using an evasive approach to express its problems. This is why it will be a long time before Chile and Bolivia sit at the negotiating table. This is what the Chilean foreign minister stated during a press conference. The high-ranking Chilean Government official noted that this Bolivian attitude is not new; on the contrary, it has been a constant attitude in Bolivian foreign policy.

"We are all quite well aware of the Bolivian people's aspiration to achieve a sea outlet. But I would say that Bolivia has been using the wrong approach in its attitude towards Chile, and particularly at this time, because Bolivia has [passage indistinct] the only way to achieve this aspiration will be through eventual direct negotiations with Chile--negotiations that up to now President Pinochet has been willing [words indistinct] achieved a notable progress but which were interrupted because Bolivia, through an unexpected unilateral decision, decided to sever relations with Chile."

Foreign Minister Cubillos noted that Bolivia categorically lacks all those rights which it pretends to use at the different international forums regarding its aspirations to achieve a sea outlet. He reasserted that Chile has no pending problems with Bolivia and added that international relations must be handled with extraordinary seriousness. To move in these circles one must not only be serious minded but also [words indistinct].

"I believe that Bolivia's present attitude has not been quite serious and this is why [words indistinct] there will come a time when Bolivia will realize that it must be serious if it wants to negotiate. [Words indistinct] and this negotiation will be indispensable if one day Bolivia really wants to achieve its goal."

Furthermore, the foreign minister believes there is another important issue that must be taken into account. To negotiate at either the international or bilateral level it is indispensable to have mutual respect. This could lead to a fruitful negotiation but this is not exactly the case with our Bolivian neighbors.

"I believe Bolivia has not created the proper conditions and has long neglected the possibility of sitting at the negotiating table. This is regrettable, but since it is not an action of the Chilean Government but rather of the Bolivian Government, it is not proper for us to study this decision or to criticize it. We have simply taken note of the fact and we are concerned that in seeking support for its cause, by deviating from those issues which I believe are fundamental, it has tried to resort to third parties with information which has not always been correct."

Moreover, Foreign Minister Cubillos said that the Bolivian cause is viewed by other countries as a just aspiration [words indistinct] but that the information supplied by the La Paz government has not been complete and therefore [words indistinct].

Cubillos noted that recently when President Carter received the credentials of the new Bolivian ambassador to Washington he expressed his desire that this affair [words indistinct] within the framework of a bilateral negotiation with previous consultation with Peru. Cubillos also discussed the support given by other countries to the Bolivian cause. [recorded passage indistinct]

The Bolivian cause will be submitted to the conference of (?nonalined) countries which will meet in Cuba in September. In this regard the foreign minister said that this is a sovereign decision of Bolivia. He reasserted, nevertheless, that Bolivia will not solve this issue in international forums.

REPRESENTATIVE TO VATICAN BEAGLE TALKS NAMED

PY042102 Paris AFP in Spanish 1859 GMT 4 Apr 79 PY

[Text] Santiago, 4 Apr (AFP)--It was reported here today that Enrique Bernstein, a diplomat, will represent Chile before the Holy See during the latter's mediation in the Chilean-Argentine border conflict.

Bernstein, a former ambassador to France and currently a Foreign Ministry political adviser, will head the Chilean delegation to the talks.

Confirming this appointment, Foreign Minister Cubillos reported today that the group will go to Rome in due time.

Pope John Paul II agreed to act as a mediator last February to make Chile and Argentina overcome their border conflict over the Beagle Channel in the southern region.

CHILEAN, PANAMANIAN COOPERATION COMMISSION ESTABLISHED

PY042249 Santiago Chile Domestic Service in Spanish 1100 GMT 4 Apr 79 PY

[Text] The joint Chilean-Panamanian cooperation commission was installed yesterday at the Foreign Ministry. The deputy foreign ministers of the two countries, Gen Enrique Valdez and Juan Manuel Castulovich, opened the ceremony.

The Chilean deputy foreign minister indicated that in 1972 the two countries signed a basic economic, technical and scientific cooperation agreement aimed at economic and social development.

[Begin Valdez recording] Aware of the need to practically implement the goals outlined in the last 20 years, we meet here today for the solemn installation of this new mechanism for bilateral coordination: the permanent joint Chilean-Panamanian cooperation commission.

The task of our respective delegations will be taxing, for they will have to provide the legal instruments capable of guaranteeing the success and continuity of whatever agreements we may reach and of analyzing the various aspects of our economic and commercial relations and scientific and technical cooperation. [end recording]

He added that the first thing which obviously must be done is to install the permanent joint commission, for it is within this framework that negotiations will be conducted. Once installed, the commission will begin by studying its charter.

[Begin Valdez recording] The Chilean Government believes that increased economic and commercial relations must become a vital element of our foreign policy. In this regard, it is up to Chilean and Panamanian businessmen to develop exchange to a level compatible with the potential of the two economies, which are open to the multiple advantages and possibilities offered by international trade. As for scientific and technical cooperation, the commission will study and analyze a draft of a basic cooperation accord and will seek to determine the possible fields in which this cooperation could take place within a short time. [end recording]

Valdez emphasized that Panama is well-versed in the management of free zones while Chile can contribute its mining expertise when Panama is examining this field as an interesting source of income.

He indicated that the list of issues to be discussed gives a clear idea of the significance of the task that must be performed by the commission.

The Panamanian deputy foreign minister said that the activities of the binational panel will give rise to a significant increase in bilateral relations.

[Begin Castulovich recording] This commission is an extraordinarily valuable instrument. Independently from those bilateral relations handled through the embassies, the joint commission and the appropriate national subcommisions, will carry out a number of tasks, shortening the channels of communication between the various government levels of the two countries. The periodic meetings of the commission and various work groups will help to outline a number of projects that will later be implemented through regular diplomatic channels. We strongly hope that the work of this commission will be beneficial for both countries, proving once more the solid friendship between Chile and Panama, and the strong feeling of solidarity and cooperation which the Chilean Government and people have always shown toward my country. Thank you. [end recording]

After the signing of the joint declaration Gen Enrique Valdez was elected president of the panel. The joint Chilean-Panamanian commission will channel and promote cooperation in all fields and will be able to make whatever recommendations it may deem necessary to the two governments.

To perform its duties the commission will meet once a year alternating between Santiago and Panama City.

SOFOFA REVEALS ENCOURAGING ECONOMIC FIGURES

PY311810 Paris AFP in Spanish 1557 GMT 31 Mar 79 PY

[By Humberto Zumaran]

[Text] Santiago, Chile, 31 Mar (AFP)--The Chilean economy grew between 7 and 8 percent in 1978, the most significant jump for the country in several decades, it was reported here today.

Both the Industrial Development Association (SOFOFA), which is composed of private firms, and the National Planning Office (ODEPLAN), which is a government agency, contended that this is the result of the proper application of the military government's economic policy.

While SOFOFA placed the growth of gross domestic product last year at 6 percent, ODEPLAN estimated the increase at 7.1 percent.

SOFOFA, meanwhile, stated in a document released here that while this increase in the Chilean economy is lower than the 8.6 percent posted in 1977, it is substantially higher than the traditional rate.

Hernan Daroch, SOFOFA president, also said that the crisis has been overcome and that Chile is clearly in a period of growth.

Miguel Kast, ODEPLAN director, said that the rapid economic growth indicated by the figures is the best guarantee for reducing unemployment to normal levels.

The socialist economy policy which held sway in Chile during the Popular Unity government of the late President Salvador Allende (1970-73) gave way, after the 1973 military coup, to the liberal scheme known as social market economy. During the Popular Unity regime, unemployment fluctuated between 3 and 6 percent, it was pointed out. But under the military government headed by President Augusto Pinochet, unemployment has oscillated between 13 and 19.9 percent.

In addition, the SOFOFA study placed particular importance on the 10.3-percent growth of the industrial sector in 1978 since it signifies the third consecutive year of solid development. The same study reports that in 1976 and 1977, the growth was 12.2 and 9.2 percent, respectively. Furthermore, the study stressed that inflation rose 30.3 percent in 1978, half the rate registered in 1977, bringing it closer to traditional levels.

The Chilean enterprises also noted in their analyses the record inflation rate of 508.1 percent at the end of 1973, following the overthrow of Allende. Regarding the balance of payments, SOFOFA indicated that a surplus of $630 million was posted last year. Gross international reserves in the Chilean Central Bank are now about $1.296 billion, the study added.

The report indicated that the budget has a deficit of 3.6 percent of expenditures, while in 1977 the deficit reached 6.8 percent. Despite the optimism of these figures, however, SOFOFA warned that what has been achieved over the last 3 years has permitted the country only to regain the previous levels.

SOFOFA concluded that the outlook for 1979 is highly encouraging with an anticipated increase similar to that of recent years by which the highest levels attained in Chilean history will be surpassed.

UTRACH RESPONDS TO ARGENTINE BOYCOTT THREAT

FY041716 Santiago Chile Domestic Service in Spanish 1100 GMT 4 Apr 79 FY

[Text] Chilean workers are trying to solve the country's labor situation, the Union of Chilean Workers [UTRACH] stated in a declaration in response to Argentine labor leader Luis Venturini's statement proposing a boycott against Chile by the National Transport Federation.

The UTRACH declaration said that the remarks and requests of the Argentine union leader are unfortunate considering the fact that Argentina's domestic labor situation is more critical than his description of Chile's.

The declaration suggested a review of the Dublin accords and indicated that they should be enforced in all nations where the labor situation is critical, such as socialist countries, and especially in Argentina.

The UTRACH made it clear that Chilean workers are trying to solve Chile's labor situation. The declaration is signed by Bernardino Castillo, president, and Carlos Ortega, secretary of UTRACH.

EMERGENCY MEASURES ADOPTED IN VIEW OF FUEL SCARCITY

PA041706 Bogota Cadena Radial Super in Spanish 0000 GMT 4 Apr 79 PA

[Text] Bogota--The government issued emergency measures today to counteract fuel scarcity, especially in Bogota. The measures were adopted during a meeting held this morning by the Board of Directors of the Colombian Petroleum Enterprise [ECOPETROL] and were approved by President Turbay this afternoon. The measures include: Rapid utilization of fuel stored at the Fuentearanda plant, which will be distributed to wholesale distributors 24 hours a day, 7 days a week; transfer of diesel oil--which will be processed to convert it into 125,000 additional barrels of gasoline--from Cartagena to Bogota within an 8-day period; expansion of the oil pipeline between Barrancabermeja and Bogota in order to increase its gasoline-pumping capacity, and finally, conversion of 30,000 barrels of aromatics [productos aromaticos] into motor fuel. The latter was set aside for exports.

ECOPETROL President Alvaro Barrera Rueda said that these measures were designed to solve the difficult fuel supply situation. The government suspended the export of a large volume of oil in order to meet the country's great need for it. ECOPETROL reduced the sale of aromatics to a minimum and decided to convert them into gasoline, which is currently very scarce in the country. He noted that in view of ECOPETROL's measures, the country will lose a large amount in foreign exchange which was being used to pay increasing imports of crude oil and gasoline.

Today, the government was forced to transport part of the hydrocarbons processed in Cartagena to Barrancabermeja to refine them there in view of the operating problems at the Mamonal complex. ECOPETROL decided to increase the workload at the Barranca plant in order to quickly increase gasoline production. This gasoline will be delivered to Bogota.

The government measures demonstrated today that the problem of the long lines in the main cities is not truly because of gasoline rationing but because of fuel scarcity. ECOPETROL President Barrera Rueda noted that Bogota's fuel supply will be guaranteed with the emergency measures adopted today.

Barrera Rueda said that the measures concerning the lifting of the prohibition of gasoline sales on Sundays and the slowdown in traffic during the Holy Week will help in bringing the situation back to normal. He explained the extent of the measures as follows:

[Begin Barrera Rueda recording] I met with my close associates this morning to analyze the problem stemming from the scarcity of gasoline, especially in Bogota, because we have solved the scarcity problem in Cali. We have adopted the following measures: In the first place, we will increase the use of fuel stored at the Fuenteranda plant by filling gasoline trucks of wholesale distributors 24 hours a day, 7 days a week, including Sundays. We hope that, based on our Sunday delivery, gas stations will have enough to avoid lines on Mondays.

The second measure that we adopted is the transportation of diesel oil aboard (?ships) on the Magdalena River. This measure was adopted in view of a breakdown at one of the processing units in Cartagena. The diesel oil will be converted into gasoline in quantities that will represent an additional production of [words indistinct] Barrancabermeja of 125,000 additional barrels that will be pumped to Bogota within an 8-day period as soon as they are produced. This will give Bogota an additional 5-day supply because this city uses approximately 25,000 barrels per day.

The third measure we are taking is the speedy utilization of a portion of the pipeline between Puerto (Falcar) and (Cuaduelo) in order to improve the pumping capacity of gasoline from Barrancabermeja to Bogota.

Finally, we have adopted a measure that I would describe as a sacrifice. It consists of converting 30,000 barrels of aromatics--which were set aside for exports at the Barrancabermeja refinery--into gasoline to be pumped to Bogota in order to create an additional reserve for Bogota.

As I have repeatedly said and as the mines and energy minister has stated, Bogota's problem basically stems from the fact that drivers, visualizing a gasoline scarcity, are filling their tanks more often, and that affects us tremendously because of the large demand. We do not have enough pumping capacity from Barrancabermeja to Bogota or from (Tolona)--where imported gasoline is pumped--to Barrancabermeja. This represents a pumping capacity of 25,000 barrels per day from these pipelines. [end recording].

The ECOPETROL president urged citizens to be aware of the importance of the rational and disciplined use of the fuel in view of the current international oil crisis.

It was learned from Mines and Energy Ministry sources that the country's oil refineries are worn out and their operation results in poor performance. The old installations at the Cartagena and Barrancabermeja complexes are producing half of what they should be producing. Consequently, the refining of crude is increasingly deficient. An oil expert said that ECOPETROL's plants cannot do any more. The country's production and pumping problems to meet the demands of our domestic market stem from that fact, he said.

Mines Minister Statement

PA041707 Bogota Cadena Radial Super in Spanish 0000 GMT 4 Apr 79 PA

[Text] Bogota--Mines and Energy Minister Alberto Vasquez Restrepo today acknowledged that the country is undergoing a critical situation in gasoline supply because measures to expand the oil pipeline from Barrancabermeja to Bogota were not adopted. We do not have enough supply [words indistinct] to meet the (?country's) needs, he said regarding technical deficiencies in the pipeline. If [words indistinct] we will not have enough fuel for Bogota.

He also said that to solve the problem [words indistinct] in the pipeline from Puerto (Falgar) to (Vidieta) which permits the transportation of 200,000 additional barrels to Bogota. He also said that oil imports will return to normal next week and that the arrival of oil tankers with 60,000- and 80,000-barrel capacities has been guaranteed.

ELN, M-19 GUERRILLA GROUPS ANNOUNCE ALLIANCE

PA041439 Paris AFP in Spanish 2046 GMT 3 Apr 79 PA

[By Farid Camel]

[Text] Bogota, 3 Mar (AFP)--A reorganization of Colombian guerrilla groups, pitted against each other for tactical and ideological reasons, and the alliance of two of them were announced in a clandestine communique released here today.

The pro-Castro Army of National Liberation (ELN), which has always operated in the mountains, and the urban M-19, currently under fierce persecution by the military intelligence services, announced their intention to unite for the purpose of gaining power for the people. The decision by the rebel movements was contained in a message sent to a Latin American seminar on international human rights held recently in Bogota.

Parts of the message went beyond Colombian territory to Latin America in general. Latin America, cppressed and exploited, arises throughout its entire territory, sometimes in an open, frontal fashion as in Nicaragua, and sometimes in a concealed, latent fashion, as in Chile, Uruguay, Argentina, Brazil, Bolivia and all the other countries of South and Central America under military dictatorships, the document pointed out.

ELN and M-19 noted: Guerrilla warfare is a method that conforms to the context of extended popular warfare. The guerrilla armies are the embryo of the people's revolutionary army that will defeat the oppressing armies politically and militarily.

The message voiced three strong criticisms of the oldest of the rebel groups, the pro-Soviet Revolutionary Armed Forces of Colombia (FARC). This guerrilla force, it added, cannot split the masses of other revolutionary movements by intimidation through the sacrifice of hundreds of peasants, such as FARC has been doing, following the orders of Soviet imperialism.

Observers feel FARC's separation from the two movements and from the pro-Chinese Popular Liberation Army (EPL) will raise even more the idelogical differences among the guerrillas. In an effort to overcome such disagreements, observers said, the rebel organizations may seek changes in their leaderships, such as happened 2 years ago with the expulsion of ELN's founder and top leader, Fabio Vasquez.

Meanwhile, it will be recalled that on 29 March unofficial reports announced an imminent guerrilla summit meeting in the southern part of the country precisely to seek the unification of these groups. Military authorities have so far released no information on such a meeting.

LAWYERS REQUEST REPEAL OF SECURITY STATUTE

PA042137 Bogota Radio Santa Fe in Spanish 1730 GMT 4 Apr 79 PA

[Text] Bogota--A delegation of the National Association of Democratic Lawyers of Colombia [ANADC] (?met) at noon today with Government Minister German Zea Hernandez. Senator Humberto Criales de la Rosa and five other jurists delivered a document to Zea Hernandez in which they denounced a number of arrests of opposition leaders by the intelligence services.

The ANADC asked the executive branch to repeal the so-called security statute which seriously curtails the citizens' rights.

AIR, LAND SEARCH FOR GUERRILLAS LAUNCHED

PA042132 Bogota Radio Santa Fe in Spanish 1730 GMT 4 Apr 79 PA

[Text] Medellin--An air and land search has been launched for the guerrilla command of the so-called National [as heard] Liberation Army which violently attacked several soldiers in the area of Montelibano, Cordoba. Three of the guerrillas died in the attack.

The operations underway in mountainous terrain are being conducted with the support of several air force helicopters, a spokesman for the 4th Brigade said. Some field equipment left behind by the guerrillas in their frantic escape has been seized during the search operations, according to reports. It is believed that some of the guerrillas are wounded.

BOMB FOUND AT DEFENSE MINISTRY DEACTIVATED

PA041912 Bogota Cadena Radial Super in Spanish 0000 GMT 4 Apr 79 PA

[Text] Bogota--A low-powered bomb was deactivated today in the Defense Ministry's national administrative center. The incident was kept under complete secrecy by the High Military Command, but this newscast learned that the bomb was discovered by the army secret service. The authorities do not know how the bomb was placed in the Defense Ministry in view of strict security measures barring strangers from entering the building.

UNIVERSITY STUDENTS, POLICE CLASH IN MEDELLIN

PA041711 Bogota Cadena Radial Super in Spanish 0000 GMT 4 Apr 79 PA

[Text] Medellin--A confrontation between university students and policemen occurred this afternoon following a general assembly held by students of the University of Antioquia. A meeting of student leaders was held after the assembly. The confrontation and fighting started after the meeting. Students clashed with policemen who were patrolling the university.

Authorities told this newscast that several Molotov cocktails were thrown by students. Police had to [words indistinct] the demonstrators. The same sources reported that no arrests were made.

BRIEFS

OIL EXPLORATION CONTRACTS--The Colombian Petroleum Enterprise [ECOPETROL] signed three new oil exploration contracts with foreign firms last week. ECOPETROL President Alvaro Barrera Rueda said that the results of the exploration for crude oil in the Darien area may be known within 3 weeks. [Bogota Cadena Radial Super in Spanish 1100 GMT 4 Apr 79 PA]

DEFENSE MINISTER ON MILITARY LAW, OTHER ISSUES

PA030031 Quito Voz de los Andes in Spanish 1730 GMT 2 Apr 79 PA

[News conference by Ecuadorean Defense Minister Gen Andres Arrata Macias; date and place not given--recorded]

[Text] [Arrata] First, the current government is a dictatorial government. From its very beginning it decreed the reign of military law which continues to be in force. Therefore, in each case that the law must be applied, the corresponding edict does not need to be published.

Second, on reviewing all of the events in the country's political life one can clearly see that the state legal reorganization process is being carried out with responsibility, leaving behind all of the many attempts that were made and are being made to destroy it or at least to delay it. This shows that the Supreme Council of Government will faithfully comply with the armed forces' desire of turning over power at the scheduled date. In view of what has been said and carried out, one cannot understand how specific groups and persons waste effort, time and even talent in an attempt to place new obstacles in the progress of the country's legal reorganization plan. Therefore, as minister and citizen, I believe that we should all join efforts so that we will become worthy of the return to a de jure system in the brief time before the great civic act when the people's sovereign will is expressed in the ballot boxes, as well as of the turning over of power to those who obtain the people's votes to undertake executive and legislative functions.

Third, regarding the honorable Supreme Court of Justice's decision on the jurisdiction for trying those involved in the Calderon case, the armed forces have calmly waited for the legal decision of the highest body of Ecuadorean justice. Therefore, I must express my satisfaction on seeing that military jurisdiction is still valid and respected. Once again, the nobility and righteousness of the honorable Military Court of Justice will be shown when at the end of the trial it decides and sentences those whose are guilty.

Gen Bolivar Jarrin continues in his post. According to the armed forces personnel law, once the proper judge declares him guilty or allegedly involved, then the Armed Forces Command will request that the defense minister place the aforementioned officer in availability status [disponibilidad].

[Unidentified newsman] Will the members of the Supreme Council of Government continue as commanders in chief of the military forces after 10 August?

[Arrata] This is a question that you should directly ask them. As far as I know, the three members of the Supreme Council of Government will retire as soon as they conclude their functions in the government.

POLITICIANS CALL FOR LIFTING OF MILITARY LAW

PA031200 Quito Cadena del Triunfo in Spanish 2300 GMT 2 Apr 79 PA

[Text] Political leaders have issued interesting opinions on the need for the government to lift the military law.

Mauricio [surname indistinct], candidate to the Chamber of Deputies for the National Revolutionary Party, has said:

I do not think that truly free elections can take place under a state of military law that means restriction and annulment of freedom. He added that the fact that the state of military law has been in effect for 3 years is simply ridiculous.

Gonzalo Cordova, director of the Democratic Left, has stated that the military law is nothing but a pretext used by the dictatorship to use its force and to abuse it. He noted that what the defense minister has said to the effect that the military law is an integrated accumulation of the various military laws and codes is not only absurd but also a bad joke.

Conservative Party leader [first name indistinct] Mantilla responded to questions from a Guayaquil morning newspaper by noting that during an election process such as the one taking place in Ecuador, the least viable situation results from a state of military law. He said that the government must seriously think about lifting this law, for while it may be true that there is no great pressure on the people, it is a fact that the environment is not the best for citizens to freely and spontaneously express themselves in the 29 April elections.

Meanwhile, Luis Felipe Gorjas, a leader of the Democratic Institutionalist Coalition, has stated: The presence of the military law in Ecuador means the presence of the every-man-for-himself principle. He noted that the return to constitutional order is very important because the present dictatorship is exhausted, incompetent and arbitrary. He added: What we have to do, as politicians who love peace and order, is to ask the government to stop its campaign of repression and to implement the guarantees that democracy demands at this moment.

When asked about this same subject, Jose Maria Gordillo, a former president of the Pichincha Provincial Electoral Tribunal, said: We are on the eve of the elections. I think we should have the best possible guarantees. The citizens must have a peaceful environment, and this cannot be secured if there is not complete freedom. There must be no psychological or physical pressure, he noted.

Gordillo stated that the sensibility that the government claims to show every time it says we have reached the culmination of the electoral process must also be expressed by lifting the military law and allowing the citizens to freely and peacefully express their will through their votes.

On this topic, Efrain Torres Chavez said that although he thinks that there is no military law [words indistinct], in the face of the statements made by the defense minister we have to accept that military law must be understood as a series of laws that must be applied when the country is under martial law. If this is not the case, he said, it is obvious that the law must be repealed. This would be the only way of guaranteeing clean elections, he added.

A former candidate for the vice presidency of the republic, Liberal Arsenio [surname indistinct] also commented. He said: I find it strange that only a few days away from the moment the Ecuadorean people will vote to elect the president and the vice president of the republic, the defense minister chooses to remind us that military law is in effect. The government must give second thought to its warnings and resolutions and lift the military law so that all citizens may freely express their will during the election campaign we are carrying out.

The president of the Supreme Electoral Tribunal told a journalists' poll that at this moment both candidates and voters must make every effort to secure an environment of peace, understanding and fraternity.

When asked by newsmen if he would support the request that political leaders have made to the government and to the Supreme Electoral Tribunal for the lifting of the so-called state of military law, [name indistinct] said that all the members of the institution should study this request. He said, however, that his personal opinion is that all efforts aimed at creating an environment of peace and calm in the country for the success of the electoral process must be supported by all Ecuadoreans, and especially by those who have an obligation to see that the election process becomes a reality and that the election campaign is carried out in the best of ways and with all guarantees.

NEW MILITARY COURT PRESIDENT APPOINTED

PA040308 Quito Cadena del Triunfo in Spanish 2300 GMT 3 Apr 79 PA

[Text] Retired Col Afredo Gandara was appointed as the president of the Military Court of Justice to replace Col Freile Posso. Colonel Gandara is the army's delegate to the Military Court of Justice. According to regulations, it is the turn for a member of the army to be the president of the military court.

On assuming his post, Colonel Gandara said that the military court's decision will strictly abide by the law and the dignity and honor of the Military Court of Justice. The first case that will come up before Colonel Gandara is the case of the assassination of political leader Abdon Calderon, for which Gen Bolivar Jarrin, among other persons, is being indicted.

GOVERNMENT ORDERS RELEASE OF ARRESTED JOURNALIST

PA030246 Quito Cadena del Triunfo in Spanish 2300 GMT 2 Apr 79 PA

[Text] This afternoon the Government Ministry ordered the release of EXPRESO columnist Cyrano Tama, who had been held under arrest for over 2 weeks.

The government ordered the arrest of Tama for publishing an article entitled: The Military Oligarchy. It had been reported that the journalist would be tried by a military court for his ill-intentioned criticism of the government.

The government minister has warned that any citizen seriously slandering the government will be tried in military courts.

Journalists and political parties have asked the military government to respect the freedom of expression and grant the immediate release of Cyrano Tama Paz.

FORMER PRESIDENT VELASCO IBARRA DIES

PA301719 Madrid EFE in Spanish 1713 GMT 30 Mar 79 PA

[Text] Quito, 30 Mar (EFE)--Jose Maria Velasco Ibarra, who was president of Ecuador five times, died today, Friday, at 1645 GMT. The 86-year-old Velasco Ibarra had been in a hospital here since Sunday.

PETROLEUM PRICE INCREASED TO $17.10 PER BARREL

PA050215 Paris AFP in Spanish 2347 GMT 4 Apr 79 PA

[Text] Mexico City, 4 Apr (AFP)--Mexican Petroleum [PEMEX] announced today that during the second quarter of 1979 Mexican petroleum will sell at $17.10 a barrel, shipped to the gulf port [pesto en puerto del golfo].

The new price is retroactive to 1 April and represents a 21.3 percent increase over the previous price of $14.10 a barrel. The new price for crude was formulated from information received by PEMEX from the international market and in accordance with negotiations with its customers, which have accepted the new price.

PEMEX revealed in its communique that the present price of Mexican petroleum is higher than that of Arabian light crude ($14.54), the Venezuelan medium lake type ($16.81) and Alaskan petroleum ($15.45). The price increase will earn Mexico an additional daily foreign currency income of $2.1 million over what it is now receiving from its sales abroad.

MEXICO WILL NOT SELL OIL CHEAPLY, GRANT SPECIAL PRIVILEGES

PA041230 Madrid EFE in Spanish 0247 GMT 4 Apr 79 PA

[Text] Mexico City, 3 Apr (EFE)--Patrimony and Industrial Development Secretary Jose Andres de Oteyza affirmed here today that Mexico will not sell its oil cheaply or grant any privileges to any country. According to the official, requests from several underdeveloped countries affected by serious energy problems--among them Guatemala, Jamaica and El Salvador--are being analyzed. "Although they are needy, priority in selling them our oil will be determined by the terms of international trade rather than by any other consideration," he said. He added that national energy needs will be given priority and that the requests of those buyers with which commitments exist until late 1980 will be considered.

"Mexico will be careful with the rest of its buyers, taking into account our commitments and supplying oil at just prices, because it would be wrong to squander our oil," he concluded.

BULGARIA'S TODOR ZHIVKOV CONTINUES VISIT

Zhivkov-Lopez-Portillo Talks

AU041007 Sofia Domestic Service in Bulgarian 0730 GMT 4 Apr 79 AU

[Text] Comrade Todor Zhivkov's visit to Mexico continues. At the Los Pinos official residence the first talks between State Council Chairman Todor Zhivkov and Mexican President Jose Lopez-Portillo have begun. International issues such as the energy problem, the need to intensify the struggle for disarmament, halting the arms race and the need for the early and successful completion of the Vienna [MBFR] talk were discussed. It was also noted that the Egyptian-Israeli separatist treaty cannot resolve the Middle East crisis in the interest of all Arab peoples.

In the evening, there was a ceremony in the (Feria) hall of the Presidente (Chapultepec) Hotel in connection with the presention of the international Dimitrov Peace Prize to the world-renowned Colombian writer Gabriel Garcia Marquez. Comrade Petur Tanchev read a decree from the State Council of the People's Republic of Bulgaria awarding Garcia Marquez this great prize.

Comrade Todor Zhivkov expressed his joy in having the opportunity of personally presenting this prize, which is named after the great son of the Bulgarian people, Georgi Dimitrov, and he also emphasized the keen interest with which Marquez' works are welcomed in Bulgaria. Todor Zhivkov expressed best wishes to Garcia Marquez for further creative successes.

In a ceremony that is expected to take place today, the keys to the city will be ceremoniously presented to Todor Zhivkov. Following this, the honorable guest will visit the Sahagun industrial complex where a luncheon will be given for him at the workers canteen where he will meet the workers. The official talks between Todor Zhivkov and the Mexican president are also expected to continue.

Delegates at Talks

ID041558 Sofia BTA in English 1329 GMT 4 Apr 79 ID

[Excerpt] Mexico City, April 4 (BTA special correspondent)--Late in the afternoon yesterday official talks began between the state president of the People's Republic of Bulgaria, Mr Todor Zhivkov, and the president of the United Mexican States, Mr Jose Lopez-Portillo.

On the Bulgarian side in the talks are taking part: Mr Petur Tanchev, secretary of the Bulgarian Agrarian Union and first vice-president of the State Council; Mr Petur Mladenov, minister of foreign affairs; Mr Andrey Lukanov, deputy-chairman of the Council of Ministers; Mr Milko Balev, head of the Office of the State Council President; Mr Petur Mezhdurechki, chairman of the Executive Council of the Sofia Municipal People's Council; Mr Ivan Tonev, deputy chairman of the National Agro-Industrial Union; and Mr Bogomil Gerasimov, Bulgarian ambassador to Mexico.

On the Mexican side: Mr Santiago Roel, secretary for foreign affairs; Mr Ricardo Garcia Sainz, secretary for programming and the budget; Mr Jorge de la Vega Dominguez, secretary for trade; Mr Jose Andres de Oteyza, secretary for national resources and industrial development; Francisco Merino Rabago, secretary for agriculture; Mr Antonio Toledo Coro, secretary of agrarian reform; Mr Roberto Casias Hernandez, special secretary to the president; and Admiral Umberto Uribe Escandon, Mexican ambassador to Bulgaria.

Sahagun Visit

AU050930 Sofia BTA in English 0840 GMT 5 Apr 79 AU

[Text] Mexico, April 5 (BTA special correspondent Stefan Tikhchev and BTA correspondent Henri Savov)--On the second day of his official visit to Mexico, Bulgaria's State Council president, Todor Zhivkov, visited the town of Sahagun, an industrial centre of the State of Hidalgo. The high Bulgarian guest and the Bulgarian officials were accompanied by Mr Jose Andres de Oteyza, secretary for national property. Mr Todor Zhivkov toured the diesel engines works in the town and the motor-cars and railway carriages works. Mr Todor Zhivkov was invited to a luncheon at which workers from the enterprises in the town were present. In reply to the address with which he was greeted, Mr Todor Zhivkov said that the talks with President Lopez-Portillo were proceeding successfully and expressed his conviction that they were to provide a powerful impetus to the development of Bulgaro-Mexican and Mexican-Bulgarian friendship and cooperation. Further on he spoke about those things in common which unite two countries and the two peoples--the heroic struggle against foreign invaders for freedom and independence. Both Bulgaria and Mexico are successors of a many century civilization, which they guard and develop. But we with President Lopez-Portillo, said the Bulgarian State Council president, having concentrated on the present and the future of Bulgaria and Mexico. [as received]

At present under modern conditions, the Bulgarian State Council president went on, the peace, detente, curbing the arms race and averting a thermonuclear war, were the prime tasks of today.

"On these problems, Bulgaria and Mexico hold identical view., your government and ours, President Lopez-Portillo and I, hold identical views. This is an important precondition for further promoting our ties of cooperation, of our political contacts."

On his return to the Mexican capital, Mr Todor Zhivkov visited the National Anthropological Museum. In the evening, a folklore Mexican ballet [was] performed in the Palace of Arts for the Bulgarian guests. The performance was attended by Mr Todor Zhivkov, President Jose Lopez-Portillo, Mrs Lyudmila Zhivkova and Mrs Carmen Romano de Lopez-Portillo.

LOPEZ-PORTILLO GIVES INTERVIEW TO BULGARIAN TELEVISION

AU041006 Sofia BTA in English 0815 GMT 4 Apr 79 AU

[Text] Sofia, April 4 (BTA)--"I am confident that the visit of Mr Todor Zhivkov, president of the State Council of Bulgaria, to Mexico will render an impetus to the development of Mexican-Bulgarian relations," stressed Mr Jose Lopez-Portillo, president of Mexico, in his interview for the Bulgarian television, taken by Director General Ivan Slavkov.

"Mexico and Bulgaria have good prospects for cooperation. The two countries undertook important obligations and our target should be the use of all possibilities for wider bilateral contacts," Mr Lopez-Portillo went on to say further.

In the interview, telecast by the Bulgarian television last night, Mr Lopez-Portillo dwelled on the present economic situation in Mexico, emphasizing the efforts of the government and the people to solve successfully the economic problems. He noted that an important factor to this end is the rational use of Mexico's key raw material--oil, which is in high demand on the international market.

"Our people are determined to continue the evolutionary process in the country, to achieve rapid economic progress, stressed Mr Lopez-Portillo.

The Mexican head of state quoted ample data illustrating the rebirth of the Mexican economy in the last two years. "These our achievements must be consolidated and expanded," he noted.

"One of the major problems of the Mexican (?society is) the rather complex age pyramid of the population--most of the people are under 24 yaers of age and 50 per cent are under 14." "However, we hope to solve finally in the coming years the most important problems facing the country--economic and structural," said Mr Lopez-Portillo.

In reply to the questions related to some topical international issues, Mr Lopez-Portillo stressed that the Middle East and other hotbeds of tension endanger peace and security in the world.

Said Mexican president in conclusion: "I convey most sincere greetings and cordial wishes to the Bulgarian people; I wish them new working successes in the name of the further progress of their free and beautiful country."

LATEST HOUSE VOTE ON CANAL TREATIES VIEWED

PA050120 Panama City Domestic Service in Spanish 1100 GMT 4 Apr 79 PA

[From the "Sobre el Terreno" program with Adan Castillo, Rafael Nunez Zarzavilla, Euclides Fuentes Arroyo, Ovaldo Gudino Aguilar, Demetrio Romero Wong, German Quintero, Geronimo Guardia and Zelideth Maritza Rosales]

[Excerpts] [Unidentified speaker] The U.S. House of Representatives Merchant Marine Committee has rejected a government proposal. Although this is not definite, it is an obstacle in implementing the treaties. The news dispatch says that the gravest aspect of the amendment approved by the Merchant Marine Committee is that it virtually eliminates a $10 million increase of the potential canal profits while at the same time increasing U.S. military control over this maritime waterway.

Representatives of the U.S. State Department testified before the committee that the amendment violates the spirit and even the letter of the treaties signed and ratified between Panama and the United States.

Dear listeners, this ties in with last Thursday's resolution in which the House of Representatives agreed to suspend $2.5 million in military aid to Panama. Well, all these things were foreseen by us; they were foreseen by the government because, as we have said here, the struggle has not ended.

[Unidentified speaker] The news dispatch said that one of the most vigorous opponents of the canal treaties, Republican Robert Bauman, said on the Merchant Marine Committee: I do not care whether I am violating the canal agreements. What I care about is that the U.S. people were assured that those treaties would not cost them $1 and now it turns out that they are costing billions.

[Rosales] This must be shout of alert, Adan, because as 1 October draws nearer, the actions will again increase, both inside as well as outside Panama, and we must be prepared. We cannot become careless because then we will be swept away by the current. We cannot let the current sweep us away. Let the others be swept away but we must stay here, facing it, waiting, because we are going into the zone.

[Unidentified speaker] I believe that the time has again arrived, Rafael Nunez Zarzavilla, to restate this national problem on the implementation of the treaties because a campaign has already been orchestrated in the United States and another one has also been orchestrated here. I believe that as time passes they will be speeded up.

Treaties Committee Member

PA042000 Panama City Circuito RPC Television in Spanish 1800 GMT 4 Apr 79 PA

[Excerpt of Manuel Santamaria interview with Dr Diogenes de la Rosa, member of the Committee for the Execution of the Panama Canal Treaties--recorded]

[Text] [Question] How do these provisions [adopted by the House of Representatives] affect the date of effectiveness of the treaties and what consequences do you foresee?

[Answer] The date of effectiveness of the treaties cannot be affected by any clause. The treaty enters into effect on 1 October 1979. On that date, by mandate of the treaty itself, approximately two-thirds of the territory now affected by the 1904 treaty reverts to Panama.

On that date, the Canal Zone Government disappears and the United States will have to suspend a number of functions and powers exercised by virtue of the Canal Zone civilian government and the Panama Canal Company, which also disappears on that date.

As a treaty, therefore, it enters into effect on 1 October, and on that date we shall be present to the end of the century and for eternity in the measure in which our country may exist.

The Panamanian people must set aside the fear that the amendments or dispositions appearing in the implementation law under discussion in the U.S. House of Representatives will affect the effectiveness of the treaties. The treaty enters into effect on 1 October over any other eventuality. We shall enter the Canal Zone on 1 October, as has been said by all our top representatives. There is nothing to fear about that.

Now then, it is possible that the implementation law of the treaty may include some disposition approved by the House of Representatives which may imply a limitation or modification affecting the integrity of the application of any clause of the treaty. This is something to which we will be alert, because we cannot agree to the treaty's being subject to amendments, either frank or surreptitious, through any resolution approved by the House of Representatives. The period of amendments to the 1977 treaty ended when the U.S. Senate approved its two resolutions on the treaty, which we accepted and which are a part of the treaties. That cannot be touched by any amendment. We will do nothing that may imply recognition of such amendments not adopted by the United States according to the provisions of its own constitutional instruments [as heard], whereby the period of amendments concluded long ago.

Murphy Bill

PA050323 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Apr 79 PA

[Interview conducted by Manuel Santamaria with Diogenes de la Rosa, member of the Committee for the Execution of the Panama Canal Treaties; date not given--recorded]

[Excerpt] [Question] Mr de la Rosa, regarding the intentions of Senator Murphy and the discussions underway in the Congress, I would like to know whether the administration of the canal by the U.S. Army in times of war violates only the spirit of the treaty or whether it also violates the letter of it.

[Answer] I should say, first of all, that the basic criteria for the interpretation of the treaty, which is a single entity in which it is not possible to separate the spirit from the letter, is that the treaty is the recognition, confirmation and implementation of that which we Panamanians have been repeating on all occasions, in all voices and in all forms regarding to the portion of our territory that has been known up to now as the Canal Zone; namely, that we have always had sovereignty over that territory and that we never yielded and certainly never sold our sovereignty over that portion of our nation's territory. This is the basic meaning, the core of the 1977 treaty, and all its provisions are directed toward the sole objective of making that sovereignty effective in that portion of our territory. This is the key to the interpretation of the treaty. And I repeat that this treaty is so meshed, so formulated that if the letter is affected, so is the spirit, and if the spirit is affected, so is the letter, because it is based on that premise.

Now I turn to your question. We made two concessions of great magnitude to the United States in the treaty. One refers to the administration of the canal and the other refers to its defense. We acknowledged that the United States had something of a priority interest in both these areas.

Why did we do this? Because, to put it one way, this was one of the prices that we have paid for a 20-year term, in order to have our sovereignty made effective over that portion of our territory and over our canal.

By virtue of this, the United States has the power--as regards administration--of administering on its own, with the presence of the Republic of Panama, the canal, traffic through the canal and everything along its banks. It is a concession which has that limitation--we must be present in that administration. However, the United States can administer in accordance with its own criteria, whether directly or through the mediation of any entity. It can administer the canal through the Department of Commerce, the State Department or the Defense Department, and it can carry out the defense only through its military institutions. This is covered in an entire chapter of the 1977 treaty on the defense of the canal.

[Question] Are you familiar with the formula that virtually eliminates the cumulative $10 million which Panama would received annually if the canal makes a profit? How does this violate the overall economic aspects of the treaty?

[Answer] There are several provisions in the treaty concerning economic compensations. One of them is participation in the profits of the canal by means of the receipt of a certain portion of the tolls. That participation is provided for. There is another provision for a direct payment of $10 million by the United States to Panama, which is not an outright concession either. We are going to assume responsibility for a number of civil services in the areas which revert on 1 October. That $10 million represents somewhat of a generalized estimate of the cost of those services, which could exceed the $10 million. That is a fixed allocation, for that reason--because they are not giving us anything but are rather paying us for the services. The other is what might be termed a conditional allocation of another $10 million that is dependent upon the existence of a surplus in the administration of the canal. It is obvious that this would be affected by some of the provisions included in the Murphy bill which imposes regulations on the management of the funds for the administration of the canal. This could affect the payment to us of that $10 million, which more or less depends on the existence of a cash flow.

However, the provisions appearing in the Murphy bill and which will probably be included in the law of implementation of the Panama Canal treaty which the United States is preparing, undoubtedly do affect the receipt of that money by us, so much so that there could be a successive accumulation of this (?credit) to us by the United States in the 20 years in which the treaty is in force, which could make it totally null; they would tell us that there was no money with which to pay, and so they would not pay. [sentence as heard] Undoubtedly, it has an effect in this regard.

LABOR MINISTER ON STATUS OF CANAL ZONE WORKERS

PA050441 Panama City Domestic Service in Spanish 2230 GMT 4 Apr 79 PA

[Text] Labor and Social Welfare Minister Oyden Ortega has stated that when the Torrijos-Carter treaties go into effect, it will be guaranteed that no disadvantageous situation will result for the Panamanian workers now employed in the Canal Zone.

Referring to the latest meeting of the special commission that is studying the labor policy that will apply in the Canal Zone as of 1 October, the minister said that so far we have been able to approve specific recommendations on two of the five general subjects under study, which we will announce at a suitable time.

The commission meets twice a week for the purpose of hearing final recommendations on the adoption of dismissal-related questions, transfers and special employment bureaus for the Panamanians presently working in the Panama Canal Zone.

BIAS CLAIMED IN GRANTING OF LICENSES TO NEWSMEN

PA031524 Panama City LAS DOCE in Spanish 30 Mar 79 p 4 PA

[Text] The Technical Journalism Board, which on Tuesday completed its review of applications for licenses filed by local newsmen, has granted licenses to 246 professional journalists who in its opinion meet the requirements set by the law regulating this profession.

LAS DOCE was told that the curious thing about it is that 113 of the licenses were granted to journalists working for the state radio broadcasting service (Radio Libertad), which would seem to indicate that those who directed the "competence operation" showed the greatest concern for their fellow workers and took home the biggest slice of the pie.

COLONISTS DEVASTATING WOODLANDS IN CANAL ZONE

PA032230 Panama City MATUTINO in Spanish 3 Apr 79 p 1 PA

[Text] Throughout the Canal Zone, which will revert to Panama on 1 October 1979, there are some 12,000 hectares of devastated woodlands, according to a study recently carried out by the authorities of the National Department of Renewable Natural Resources (RENARE), an agency of the Agricultural Development Ministry.

The study shows that the present situation is critical in the eastern and western sectors of the Canal Zone, specifically in the communities of Nuevo Emperador, Huile, Santa Clara and others, where there is strong pressure on the wooded areas.

According to the study, despite the vigilance exerted by zone authorities, the situation is worsening because of the uncontrollable migration of colonists from Azuero, Chiriqui and Veraguas.

A RENARE spokesman indicated that a solution to this problem calls for reorienting colonization in this area, offering other alternatives through reforestation and agroforestry programs.

COSTA RICA

CIVIL GUARD REMOVES ROADBLOCKS IN TIRRASES

PA041920 San Jose Radio Reloj in Spanish 1630 GMT 4 Apr 79 PA

[Excerpts] Violence erupted in Tirrases at 0800 today when a group of residents who had blocked the road from San Francisco to Curridabat along the side of the hill clashed with the Civil Guard as it began to remove the barricades. On three occasions the authorities and residents exchanged blows, resulting in several injuries and arrests.

At about 0800 the Civil Guard charged the barricades behind which were dozens of men, women and children. Without having second thoughts, the guard removed [word indistinct] stones, empty wooden boxes and even a long steel chain, but the residents remained calm. Then, after asking the demonstrators to clear the thoroughfare, the authorities found themselves involved in a clash.

Accusations were traded after the clash. The residents accused the guard of hitting women, children and adults, while the authorities stated that the demonstrators had begun the attack. We saw guardsmen and demonstrators fighting each other, but the law officers, using antiriot equipment, were fighting with clubs.

GUATEMALA

LUCAS GARCIA COMMENTS ON OIL, U.S. MILITARY AID

PA050049 Guatemala City DIARIO DE CENTRO AMERICA in Spanish 28 Mar 79 pp 14, 15 PA

[Article by Saul David Oliva on a press conference held on an unspecified date by President Gen Fernando Romeo Lucas Garcia in Iximche]

[Excerpts] Gen Fernando Romeo Lucas Garcia told journalists: "Newsmen, I hope that we have oil." However, he said that the oil pipeline for the sale or use of that fuel has not yet been completed.

The state has the right to own 51 percent of the oil extracted from wells drilled in the national territory or on the Guatemalan continental shelf. It is possible to obtain income and to avoid a revenue drain by either the consumption or the sale of that product.

Oil extracted from Guatemala could also be used to fuel the thermoelectric units of the National Electrification Institute [INDE] and the Guatemalan Electrical Enterprise.

Both the INDE and the electrical enterprise can use the national bunker fuel. In fact, the president of the republic reported that the electrical enterprise has already made some arrangements to do this by making special additions and preparing its generators, and it will soon be burning our oil. Between 1,500 and 2,000 barrels of oil a day will be required. This will, of course, prevent a money drain because fuel will not be purchased abroad as it is now.

Regarding the possibility of establishing refineries to process the oil that is extracted in our country, Gen Fernando Romeo Lucas expressed pessimism, saying that it is unlikely that our country would be granted loans to establish refineries here.

It will be very difficult for Guatemala to become an oil-producing country because of the obstacles in this area. For the moment, we can only exploit or consume our produce for our own benefit.

When a newsman asked the president of the republic about the request made by a group of deputies, who asked the U.S. Senate to cancel or suspend all military assistance to Guatemala, the president immediately replied that these public statements were mere propaganda since Guatemala has not requested military aid from the United States and it is not possible to suspend that which has not been granted. Guatemala does not need U.S. military aid. Neither such assistance nor the presence of military groups in our country is desired.

Regarding the retention of aid consisting of equipment valued at 200,000 quetzales, General Lucas said that this money would be better spent in aiding certain Indian communities in the United States, such as the Apaches and others.

Finally, President Lucas Garcia said that Guatemala has not had military relations with the United States for many years and that no military assistance has been provided since before General Lucas Garcia joined the Army General Staff.

NICARAGUA

SOMOZA TO LEAVE FOR VACATION 'ABROAD' THIS WEEKEND

PA050140 Panama City ACAN in Spanish 2300 GMT 4 Apr 79 PA

[Text] Managua, 4 Apr (ACAN-EFE)--It was reported today that President Anastasio Somoza will leave Nicaragua this weekend to vacation abroad. However, an official bulletin issued by the Press and Information Secretariat did not mention the country to which President Somoza will go. It said only that he will be accompanied by his wife, children and mother, Salvadore de Somoza.

Since the end of last year, President Somoza has not made use of the quarterly leaves of absence which the National Congress grants him to leave the country without delegating the presidential functions. Nevertheless, every time Somoza leaves the country, Government Minister Antonio Mora assumes the administrative functions of the presidency.

SOMOZA, OPPONENT DISCUSS CIVIL STRIFE, ECONOMY

PA041948 Buenos Aires LATIN in Spanish 1231 GMT 4 Apr 79 PA

[By Jose Katigbak]

[Excerpts] Managua, 4 Apr (LATIN)--Further civil strife is looming in Nicaragua. Meanwhile, President Anastasio Somoza and the Sandinist guerrillas trying to topple him are preparing for what both sides expect to be the finishing stroke.

Somoza told this agency during an interview that the only way to achieve peace in Nicaragua is to "wipe out the guerrillas."

Asked if he would be willing to have an international team headed by the United States try to mediate the conflict once more, Somoza said after a long pause: "No, because the first time they were invited they overrode their powers and tried to impose their own solutions."

In view of the fact that differences between the two sides are irreconcilable, there is no doubt that the guerrillas will start a new, overall offensive. The question is not whether it will take place but when.

Reinaldo Antonio Tefel, member of the National Executive Secretariat of the FPN [National Patriotic Front], said that he expects the guerrillas to launch their offensive in the next few months. "Victory is within sight," he said. Somoza's boastful reply was: "Let them mount the offensive; let them come if they dare."

The president admitted that the guerrillas are capable of organizing an offensive like the one the National Guard quelled in September after killing 2,000 people. "Anyone can launch an offensive. The difficult thing is to win," said Somoza, leaving no doubt that he expects to win the next round with the guerrillas.

Asked if he thought that the guerrilla [warfare] would end if he voluntarily left the country, the president said: "This is an ideological war that will not end with Somoza in power or with Somoza out of power."

Tefel, who is also a member of the Group of 12, said that a government of national reconstruction will be established as soon as Somoza is overthrown. He said he does not believe the Sandinists will play a key role in the new government, although they will probably constitute the core of the new military force in Nicaragua.

Tefel said that the members of the front are continuously discussing ways to set up the new government and, according to their statements, the promised guerrilla offensive will not occur until detailed plans are drawn up.

"I think the new government must be headed by a civilian junta. It will have to last 4 years because that is the time that will be required to reconstruct the country and erase every vestige of Somoza," he said.

Tefel added that municipal elections will be held during the middle of the revolutionary government's term and a constituent assembly will be elected on its third year to amend the Constitution. General elections will be held during the fourth year.

"We began renegotiating our debts to commercial banks after the United States blocked the $20-million IMF loan and we expect to cancel them soon," Somoza said. He denied charges that his government is almost bankrupt. "Nicaragua can pay off three-fourths of its total indebtedness with 1 year of exports. This is a liquidity test not all countries can pass. Therefore, we are not bankrupt. We may be behind in our tax collections and an international credit may have been denied to us, but this will not lead us to bankruptcy. We export more than we import," said Somoza.

The president did not give exact figures, but it is believed that Nicaragua's foreign debt amounts to $1 billion and that the amortization and interest payments this year will amount to between $80 million and $100 million.

DEFENSE MINISTRY ON BOAT SEIZED IN SALVADORAN WATERS

PA042207 Managua NOVEDADES in Spanish 29 Mar 79 p 2 PA

[Text] In view of the distorted reports that have been circulating in connection with the incident caused by the ship "LEON," owned by the ALINSA fishing company, the Defense Ministry and the Marine Department under its authority have decided to explain the problem in the following manner:

While fishing for shrimp on 12 March 1979, the ship "LEON," owned by the ALINSA company, was caught by surprise by the Salvadoran Coastguard near the FARO DE AMAPALA, which is located in the jurisdictional waters of that sister republic. Led to a port in El Salvador, the boat's cargo, consisting of about 5,000 POUNDS OF SHRIMP, was seized and the boat was placed under the judgment of Salvadoran laws on this subject.

Having learned of this circumstance, Dr Ernesto Rodriguez Lanuza, our ambassador to El Salvador, interposed his good offices before the Salvadoran authorities and because of his intervention the sanctions established by their laws (FINES, SEIZURE OF THE CARGO AND OF THE FISHING GEAR) were reduced to a minimum. Afterward, Honorable Col Miguel Angel Rivera, commander of the Salvadoran Navy, ordered the release of the Nicaraguan boat, which returned to its waters and is currently engaged in fishing activities.

For its part, the Defense Ministry's Marine Department is conducting a thorough investigation along with the captain of the boat "LEON" and the ALINSA company officials in order to determine responsibilities in connection with this incident, which was resolved thanks to the good will and cooperation of the Salvadoran authorities.

Finally, we would like to explain that the Marine Department of this ministry has confirmed through Humberto Porta Caldera, National Geographic Institute director, that the FARO DE AMAPALA in effect is in the jurisdictional waters of El Salvador and that, therefore, the Nicaraguan boat "LEON," owned by the ALINSA company, is GUILTY of having penetrated our sister country's territorial waters.

RODRIGUEZ TO SIGN GDR PROTOCOL, GO ON TO MOSCOW

FL051226 Havana Domestic Service in Spanish 1000 GMT 5 Apr 79 FL

[Text] Carlos Rafael Rodriguez, member of the PCC Politburo, has concluded the third working day of his official visit to the GDR by attending a reception held at the Cuban Embassy in Berlin. The Cuban leader--who today will sign the protocol which will govern cooperation between Cuban and GDR economic, scientific and technical organizations for 1980--began the fifth day of his official visit to the GDR with separate meetings with Werner Krolikowski, member of the Socialist Unity Party of Germany [SED] Politburo and first deputy chairman of the GDR, and with SED Politburo member Paul Verner.

The two meetings studied the future development in relations between the parties and governments of the two countries, which were seen as satisfactory. Through his GDR colleagues, the Cuban vice president transmitted warm greetings from Fidel Castro, maximum leader of our revolution, to Erich Honecker, general secretary of the SED, and to Willi Stoph, chairman of the Council of Ministers. During the day work continued at the expert level at the ninth plenary session of the mixed commission.

At the end of his stay in the GDR, Carlos Rafael Rodriguez and his delegation will travel to Moscow, where they will begin the Cuba-USSR intergovernmental commission work.

CASTRO, MALMIERCA GET MESSAGES FROM IRANIAN OFFICIALS

FL042334 Havana Domestic Service in Spanish 2300 GMT 4 Apr 79 FL

[Text] We have just received a cabled dispatch reporting that Commander in Chief Fidel Castro, president of the Councils of State and Ministers of the Republic of Cuba, has received a message from Mehdi Bazargan, prime minister of Iran's provisional government of Islamic revolution, in which he expresses gratitude for the congratulations sent to him when he was appointed to that position. In his reply, the Iranian prime minister expresses his deepest appreciation for the kind feelings toward the Iranian people on this historic occasion. He also conveys best wishes for the personal congratulation of our commander in chief, as well as for the progress and prosperity of our nation.

Iranian Foreign Affairs Minister Karim Sanjabi sent another message expressing gratitude for the congratulations of Cuban Foreign Minister Isidoro Malmierca when he was appointed to that position.

USSR ANNOUNCES NEW AMBASSADOR TO CUBA

FL041251 Havana Domestic Service in Spanish 1045 GMT 4 Apr 79 FL

[Text] Vitaliy Vorotnikov has been designated USSR Ambassador to Cuba. Vorotnikov, who was born in 1926, is a member of the CPSU Central Committee and deputy to the USSR Supreme Soviet. He replaces Nikita Tolubeyev, who was assigned another position.

UNION OF CARIBBEAN CONSTRUCTION ENTERPRISES ESTABLISHED

FL031326 Havana Domestic Service in Spanish 1234 GMT 3 Apr 79 FL

[Text] The Union of Caribbean Construction Enterprises [UNECA] has been established in our country for the commercialization of construction abroad.

It will be responsible for developing a new export sector and will become an important source of foreign currency. This entity not only builds in the most diverse regions of the world but will also export projects, building materials and technical assistance.

Cuba has provided and will continue providing free technical aid to countries with scarce resources, and while not abandoning this policy, it now undertakes and expands commercialization of construction and in this way responds to the demands made in conventions and contracts which the country receives in this sector of the economy. UNECA will need the participation of some 25,000 construction workers, making construction tasks one of the primary export sectors of the country.

Report on Projects

FL031348 Havana Domestic Service in Spanish 1235 GMT 3 Apr 79 FL

[Text] The construction workers who are part of the Union of Caribbean Construction Enterprises [UNEC] in Iraq have begun building a highway in the north of the country and a town with 1,500 housing units in Basra Province. In addition, over the last few weeks negotiations have opened in Iraq to contract with Cuba for other projects--namely housing units, highways, bridges and other buildings.

Conventions to build schools, road projects and other buildings were also signed in Libya over the last few days by Levi Farah, minister-president of the State Committee for Construction.

The construction projects built by Cuban workers abroad will noticeably increase and are planned to become a prominent export sector of our economy, while at the same time opening unlimited prospects for technical and political exchanges.

FIDEL CASTRO TOURS TEXTILE PLANT IN SANTA CLARA

FL041151 Havana Domestic Service in Spanish 1000 GMT 4 Apr 79 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has called the advances made in building and setting up the textile complex in the city of Santa Clara incredible and respectable. In making his second visit to that gigantic project today [presumably 3 April] Fidel had no doubt that the complex will be completed by this December as had been promised 1 year ago by the workers. He pointed out that this date will be 12 months ahead of the complex' scheduled start of operations.

Fidel congratulated the workers of the construction brigade, the people of Santa Clara, the party, the trade union and the Union of Young Communists because this miracle could not have happened without the total coordination of all factors. The commander in chief said that the complex will become the primary textile industry in the country because of its size and capacity, which approaches 60 million square meters of high-quality cloth per year, to be made from polyester and cotton.

For some 3 hours, the first secretary of the PCC Central Committee toured various sites, always surrounded by many workers, with whom he spoke at length. Before leaving he told them: Then we will see you in December--referring to the inauguration of the textile complex. Fidel was accompanied on his tour of this important project by Arnaldo Milian, member of the PCC Politburo; Carolos Pis, PCC first secretary in Villa Clara [Province]; and Jose Lopez Moreno, minister of construction.

BLAS ROCA ATTENDS COOPERATIVES MEETING

FL042319 Havana Domestic Service in Spanish 2300 GMT 4 Apr 79 FL

[Text] The first provincial meeting of members of cooperatives opened today in the municipality of Ciro Redondo, Ciego de Avila Province, in the presence of Blas Roca Calderio, member of the PCC Politburo and president of the People's Government National Assembly.

The meeting is being held in that municipality because it has been the best in the cooperative movement work in that province. It has 15 of the 33 existing cooperatives [in the province]. At the meeting, the Ciego de Avila cooperative members will examine a main report and discuss the problems they are facing. They also will exchange experiences on and provide solutions to the problems.

COMMENTARY EXAMINES U.S. NUCLEAR PLANT ACCIDENT

FL050121 Havana Domestic Television Service in Spanish 0000 GMT 5 Apr 79 FL

[Carlos Mora Herman commentary]

[Text] A failure at the nuclear powerplant located on Three Mile Island in the city of Harrisburg, Pennsylvania, in the United States, on Wednesday of last week created great alarm in that country and was frontpage news in all the world's newspapers.

This incident again brought to the forefront of vivid events an old problem that is manifested in several ways. In the first place, there is little safety in U.S. nuclear powerplants. Second, there is the campaign which certain capitalist sectors have been carrying out for a long time against the use of the atom to solve the serious energy problems of the world.

The high degree of sensationalism and alarmism that was given to this news in the news media of the capitalist world, apart from the objective of exploiting an interesting piece of news of enormous impact on the public, had another unconfessed objective in which commercial competition purposes and protection of the interests of oil and oil magnates were involved. Several firms are involved in building these nuclear powerplants in the United States--Westinghouse, General Electric, Combustion Engineering and Babcock and Wilcox. Safety does not seem to be of much concern to them.

In 1974, the United States sold 18 nuclear reactors to foreign capitalist countries. These sales dropped in 1975 to 10. They dropped to six in 1976. And they did not sell a single one in 1977. Competitors of the North Americans in this field, such as the Federal Republic of Germany and France, took away their customers, and the fundamental reasoning was centered on safety.

There are 72 nuclear powerplants in the United States which supply slightly more than 10 percent of the energy the country consumes. Hundreds of minor accidents ranging from leaks to equipment breakdowns have occurred at these plants. In 1976, the transnational corporation General Electric was accused of building unsafe nuclear reactors. Early this year, the Nuclear Regulatory Commission rejected a report which diminished the danger posed by those powerplants built with negligence. As a result, the government of President James Carter ordered the closing of five powerplants that were highly dangerous.

The pressure from competition and the aim of obtaining the greatest profits with the least costs have made the private firms that build these powerplants not highly demanding with regulations and safety measures established for this type of high technology. In 1960 and 1961, there were serious accidents at the North American nuclear powerplant of Idaho Falls. Others occurred at the Laguan Beach plant in Michigan in 1966 and at the Brown's Ferry plant in Kansas in 1975. The North American nuclear powerplants at Big Rock Point, Michigan; Indian Point, New York; Millstone, Connecticut; Vermont Yankee, Vermont; (Surry) in Vancouver [as heard]; San Onofre and Diablo Canyon, California; and Zion and Dresden in Illinois have been considered highly dangerous.

But let us see what the background is on all this. According to data of specialized publications, the nuclear powerplants currently existing throughout the world are as follows: 15 in the Federal Republic of Germany, 32 in Great Britain, 18 in Japan, 72 in the United States and 27 in the Soviet Union. These nuclear powerplant--called electronuclear powerplants in the socialist camp--contaminate the environment much less than any other type of non-nuclear installation. At the fourth conference on the peaceful use of nuclear energy held in Geneva by the United Nations and the International Atomic Energy Organization, it was said that by the year 2020, conventional powerplants that operate with oil and coal will be producing almost three times more contaminating matters than the plants using nuclear energy. And there is a real and unquestionable factor: The future of mankind, so far as obtaining and satisfying its energy requirements is concerned, rests on the use of the atom as the source of primary energy. The Soviet Union--a pioneer of electronuclear powerplants, the first of which was installed in 1954, and already there are 27 operating without problems of any type--understood this, And now, the "atoms for peace" exposition will be inaugurated in Moscow in May within the framework of commemorations for the 30th CEMA anniversary.

Undoubtedly, all this leads us to consider the difference that exists in using and handling these complex technologies in a socialist country and in the capitalist world, where the lust for profit and the interests of free enterprise prevail over the interests of the people.

PRESIDENT GUZMAN OUTLINES MEASURES REQUIRED BY NEW OIL PRICES

FL041320 Santo Domingo Domestic Service in Spanish 0012 GMT 4 Apr 79 FL

[Speech to the nation by Dominican President Antonio Guzman Fernandez from national palace in Santo Domingo--live]

[Text] Dominican people: I come before the nation on this memorable occasion, in the company of my Cabinet, the members of the National Congress and civilian and military authorities, to announce the momentous economic changes which the government is going to make. My government has studied carefully the scope of these changes, and it has had the invaluable assistance of its technicians and advisers to implement them without delay or hesitation .

After having overcome all the political and psychological obstacles that came up during the first months of my mandate, and just when we were reorganizing the administrative structures and were seeking to give an enormous dynamism to our recovery, an economic situation of external origin has emerged which deeply harms the normal activities of this country. For this reason, I am addressing all my fellow citizens to announce to them a number of measures which, for the most part, had been put off for years as a result of indecisiveness, and because they required government courage and the courageous participation of a people who are united today by their ideals and by a clear awareness of their present and future and are prepared to help the nation overcome all its difficulties. [applause]

The problem of high oil prices, which is becoming increasingly worse due to the always-surprising OPEC decisions and the political crisis in Iran, has confronted the Dominican Republic and all countries that do not produce oil with the unpostponable necessity of facing with the greatest determination and energy the difficulties generated by this regrettable situation. Before discussing this subject in detail, and keeping in mind the disconcerting shortage of fuel that we have experienced in recent days, I assure you that at all times my government has made extraordinary efforts so that the supply of oil and its byproducts to the nation has not been totally interrupted. Thanks to my personal efforts, a tanker will arrive in Santo Domingo on 8 April, and at that time the refinery will be able to normalize deliveries and return to a regular supply of fuel for its (?users) in a short time.

Since the new oil price hike that became effective on 1 April and has already been confirmed by the OPEC countries is so enormous, it cannot be compensated for with government subsidies because, as everyone knows, we found a government without reserves and an economy that was practically paralyzed. To the new oil price announced just 3 months ago, which represented $20 million more than we were spending on oil, now must be added the latest price hike, which represents no less than an additional $36 million. This total of $56 million annually constitutes a commitment that is not within reach of the battered economy that my government found, and the people are aware of it.

To give you an idea of the enormous additional burden which this represents for our resources, suffice it say that oil currently accounts for approximately 25 percent of our total imports.

I should explain that the elimination of benefits of the refinery and of the distributors and retailers of fuel are not even remotely enough to compensate for the international price increase that has been made. I can assure you that these benefits will not be changed, although these sectors have insistently demanded an increase. I should also explain that the government's purchase of the Shell stock in the refinery, which has been called by certain people as a cure-all, is not a solution to our problems because the purchase would require an investment of millions of dollars, which we are not in any condition to undertake.

It would not affect prices because they are world prices, and it would not guarantee the volume of oil we require. Let us not deceive ourselves. We need foreign friends and allies in order to obtain oil. A proof of this is the tanker that will be arriving in a few days.

After listening to the officials responsible for economic matters and the opinions of prominent independent economists, representatives of labor and management sectors, and personalities in political life, I have decided to distribute the [oil] price hike in the following fuels by establishing as follows the tariff that will be in force for the public from now on. Gasoline, 1.25 cents per gallon; gas oil, 0.67 cents per gallon; fuel oil, 3 cents more than the previous price.

The price of kerosene--in other words, the gas used daily by the country's poorest sectors in the most remote regions--will not be raised. [applause] I have authorized that from now on the Secretariat of State of Industry and Commerce will modify the prices of fuel to the same proportion that international prices are raised whenever OPEC decrees price hikes. The government has no other alternative. The government institutions and the people have the duty of contributing to the rational use of fuels. The time for austerity has come. In order to properly fulfill resolutions of the [word indistinct], I have decided to extend for an additional 1 and 1/2 years the order that prohibits the importation of automobiles whose prices FOB exceed $4,000, and that the supply of gasoline to autonomous government agencies will be reduced 20 percent. [I also have decided] that stations will only sell fuel to the public from 0600 to 2100, remaining closed on Sundays and holidays. We will be inflexible in implementing this action.

As everyone knows, the cost of fuel has increased dramatically. The operations of the Dominican Electricity Corporation [CDE] regrettably delay the indispensable electrification of rural areas and, in general, the effectiveness of a service that is fundamental for the country's progress. No government had dared tackle with courage and determination this regrettable situation that has been going on for many years. We are willing to do it, and we are completely certain that we will have the participation and support of all Dominicans who dream of a great, prosperous and happy homeland. [applause]

I have been very careful in my thinking to avoid low-income sectors having an additional burden in order to achieve this ideal. For these sectors, which represent 46 percent of the consumers [presumably of electricity], there is no increased charge. In other words, for those who consume up to 5.10 cents. [as heard] Those who now are paying up to 14.40 pesos will be increased just 75 cents. These two groups represent 88 percent of the total consumers. Those who now pay up to 33.5 cents will be increased from 65 cents up to 5.10 pesos, according to consumption. All these consumers represent 96.91 percent of the total. Those who are paying between 33.05 pesos and 49.75 pesos will get a gradual increase that ranges from 5.10 cents to 11 pesos. All these consumers represent 98.13 percent of the total. From this point and up to those who consume more than 2,200 kilowatts monthly, there will be individual higher charges for the purpose of encouraging the indispensable and unpostponable savings in electric energy that we need so much.

Commercial charges will get an average 15 percent increase. Charges for industry and small centers will remain at a decreasing rate, keeping in mind that larger consumption of electricity represents higher production and a possible utilization of more labor force.

My government and the municipal governments that are already regularly paying CDE for their consumption will be responsible for the greatest compensation effort since their charges will be increased 20 percent.

I have ordered the secretary of industry and commerce to draft resolutions aimed at liberalizing the marketing of cement by setting maximum discount prices. These will be based on the unutilized production capacity of the installed plants. The possibility of allowing the free play of supply and demand also is considered. It is expected that this new maximum price policy will tend to liberalize general prices. Thanks to the prices of the Dominican [word indistinct] cement plant, the purpose of my government is to maintain a [word indistinct] and regulating position so that prices are not excessive.

The national industry has developed in certain production areas enterprises with sufficient installed capacity and modern technology to satisfy the domestic demand under satisfactory conditions of price and quality. Therefore, I have decided to establish limitations on a number of articles purchased abroad and they [the limitations] are in keeping with the gas resolution. I do this so that such enterprises can operate at maximum capacity to produce a reduction in costs and an increase of new (?job opportunities) which we need so much. Furthermore, this action will save foreign exchange that can be used for the importation of essential goods for the country's development, such as oil and its byproducts.

I am submitting for the legislature's consideration bills by which an additional tax will be applied to light tobacco cigarettes, rum, gin, whiskey and nationally produced beer, and applied in greater measure on all imported beverages. The tourist card will from now on cost 5 pesos, if the Congress approves the bill I am submitting. The country exit permits will also be increased to 5 pesos.

I realize that all of this will be a burden on my fellow citizens. And it is not correct in a situation such as the present one for salaries to remain unchanged as in past years. The conditions which existed in the past, including the unceasing rise in the cost of living, were not considered by every leader in facing the demands of a situation which is more and more costly and difficult.

I believe that the moment has come, with the arduous circumstances surrounding us, to fulfill one of my electoral promises--an increase in wages and salaries... [applause] an increase in wages and salaries above all for reasons of justice for those sectors of low income whose living conditions should be of greatest concern to a government. The government I am honored to preside over had the overwhelming majority support of the popular masses and is obliged to contribute positively to improving the living conditions to which every man and woman of our country aspires. For this reason, I am submitting a bill to establish a minimum salary of 125 pesos per month and to provide a 10-percent increase for those who presently make between 125 and 200 pesos.

In accordance with the bill, the men and women in the countryside will make 3.50 pesos per day for their daily labor. Exempt from this law are domestic servants and the people working in establishments whose assets, installations and goods together do not exceed 10,000 pesos.

Nevetheless, enterprises which are now paying their employees and permanent workers salaries higher than those advocated by the law should maintain these wages or salaries without prejudicing the benefits that will result from future negotiations by collective pacts on working conditions and from resolutions which can be issued by the national salary committee. This law authorizes the executive power to transfer the necessary funds in the existing public expenditures law for salary increases for the unselfish servants of the central government.

I believe it indispensible that this new, just, recovery legislation should accomplish the social and economic effects which my government is attempting.

In the interest of halting the defects unleashed by the rise in foodstuffs, recognizing that it is indispensible to use sufficient resources for the population to make their lives more livable, and keeping in mind the enormous economic effort this represents, we are recommending to the National Congress that these positions be kept steady for 2 years.

I can assure you that our economy is responding positively to the public and private stimuli. Today agriculture has encouraging prospects. As a unit, the national industry has increased in the last few months, increasing sales by around 15 percent. Mining also shows a sizeable potential of wealth which we can continue exploiting as long as we maintain a reasonable policy of equilibrium among our strictly national interests and the economic attractions from foreign investments. The construction sector is recovering and growing.

The problems which we face at present are fundamentally foreign in origin. The international sugar prices, which we cannot set according to our wishes alone, and the imposition of high oil prices by the OPEC member countries are circumstances outside government control; but on the other hand, they are problems whose solutions should have been managed rationally years ago. For the first time in our history foreign currency from sugar exports will not cover the cost of importing petroleum, the fuel on which all our industrial production, domestic land public lighting and commercial development depends. Therefore, I am intensifying the search for petroleum in the country. But as a practical man and a realist, until I see very firm positive results I will not count on this possibility. There are many countries which are suffering from a situation which is worse than ours. Keeping the world situation in mind, I recently proposed in Caracas, on the occasion of the inauguration of President Herrera Campins, that a meeting of presidents be held in Santo Domingo for joint efforts to study the possibility of halting factors limiting our growth.

Let me stress that the group of directives I have pointed out, which are the result of measures adopted according [words indistinct], represent a number of economic positions and guidelines aimed at combating an internal crisis which, I repeat, is beyond our contol in its solution due to being generated abroad. We must reduce imports and increase exports by stepping up production. It is necessary to reduce the consumption of electricity and of petroleum byproducts. We must encourage internal production, but it is equally necessary to protect the poorer classes from the difficulties generated by the drop in the price of sugar and the rise in the price of petroleum.

The coordination of all these measures has been carefully planned by my government. Despite the pressure created by certain measures dealing with prices during January, the government's actions are directed at maintaining a stable cost of living inasmuch as on the one hand extraordinary efforts are being made so that the cost of the family food basket may remain at a reasonable level thanks to the increase in agricultural production, and on the other hand limitations are being placed on the import of items also produced in the country. As a result of this, the factories and installations which are currently idle will go into full production and thus generate more jobs.

Likewise, the increase in wages is a part of the just redistribution of profits. I appeal to the confidence of the citizens in the government and to the historic fortitude of the Dominican people to overcome all difficulties, especially if they can be overcome by a joint intelligent effort, faith in God and our spiritual patron saint, and faith in the knowledge that our economic limitations will disappear with effort, confidence, courage, optimism and constant work. We Dominicans are firmly determined to achieve a better future for our children. There will be no human force capable of stopping us from achieving that. All problems that may arise will be overcome. In that manner we will forge the fatherland dreamed of by Duarte, Sanchez and Mella. Long live the Dominican Republic! [applause]

MANLEY OUTLINES PRINCIPLES AND OBJECTIVES OF PNP

FL041520 Kingston DAILY GLEANER in English 31 Mar 79 p 13 FL

[Text] People's National Party [PNP] President Prime Minister Michael Manley presented on Thursday the "principles and objectives of the People's National Party" and simultaneously declared that "the whole document adds up to a profound commitment to democracy from a political point of view..." and that "the commitment to the mixed economy is absolute...."

Following is the text of Mr Manley's statement: "On behalf of the People's National Party, I am very pleased to present the principles and objectives of the party. Founded in 1938, the People's National Party first declared itself socialist at its 2nd annual conference in 1940.

"This commitment was strengthened at the 3rd annual conference in 1941, which stated clearly in a resolution that the national movement led by the People's National Party was an alliance of class forces working towards socialism.

"In 1974, the movement recommitted itself to the socialist objective with the enunciation of democratic socialism in a document which was widely circulated throughout Jamaica. Since that time, our philosophy has been enriched in the process of our struggles to achieve economic independence and social justice. This process led the party to begin the preparation of a more comprehensive statement of principles and objectives. For two years there were discussions and debates at all levels of the party of a draft policy statement prepared by the policy subcommittee of the executive.

"Following on exhaustive working sessions which involved a very high level of debate, the relevant amendments were made and the document was unanimously adopted by over 2,000 delegates at the party's 40th annual conference in September 1978. Conference, the highest party body, mandated the party Secretariat to edit and publish the document and disseminate it throughout the party following the principle: From the people and back to the people.

"The document starts with a chapter giving a brief overview of party history and the role and tasks of party members within the context of building socialism. Other chapters are devoted to specific policy areas--ideological, economic, social and international. The whole document adds up to a profound commitment to democracy from a political point of view. The democracy which we have known from 1962 is enshrined. But a new dimension is added--democracy at the community level through community councils, and democracy at the workplace through worker participation.

"The social policy speaks clearly to the issues of equality and security for the individual and the family. The economic policy describes a system of production deliberately guided to meet the needs of the people as a whole.

"The commitment to the mixed economy is absolute. A state sector, private sector, cooperative sector and worker participation are all allotted vital and permanent roles in the development of production.

"All are conceived in terms of interlocking and interdependent parts of a total social machine working together for a national progress in which all will share one day. The needs of each sector are recognized and accorded appropriate respect in the policy.

"The foreign policy reflects the search for economic independence as the logical outcome of our political freedom. This involves the recognition that we are of the Third World. It involves a policy of nonalignment in world affairs. It involves the search for principled relations with the socialist countries. The document makes clear our determination to pursue new economic and political relationships as additional elements in our experience. These are not sought in place or at the expense of traditional friendships and relationships. Diversification is a theory of increments not a policy of displacement.

"We present, therefore, a comprehensive statement of our guiding democratic socialist principles and objectives. It should be seen against the background that our party has always provided the political, economic, social and often the philosophical thinking around which the great debates and discussions of the nation have revolved.

"Since 1972, the party, in keeping with its tradition, has challenged Jamaica once again: It is we who have awakened Jamaica to the understanding that an independent nation must understand the world, must have a view of the world, must analyse the world, must seek to influence the world and must make alliances with others who can be persuaded to share our views and our perception of our needs. It is our party which has taken a significant position in the nonaligned movement and is educating Jamaicans to understand the nature of imperialism and the duty to combat its influence in the world.

"It is our party that has awakened in Jamaicans a fuller understanding of the meaning of social justice, of the meaning and implication of the idea of equality and of the necessity for positive political action to translate these dreams into reality.

"It is our party that is now challenging Jamaicans to understand that democracy means more than the right to vote every five years. It is we who are creating the institutions through which democracy can come to have real and daily meaning for people in their communities and at their places of work. This is in addition to democracy as it is experienced in a political party and in traditional elections. The very public discussion which sometimes rages with such heat today is a consequence of the new awakening of the consciousness of the people of the party since 1972.

"Within the party itself we have been reanalysing our function in relation to our country's future. Hence our party has worked ceaselessly for the past five years to reexamine our commitment to socialism and to the democratic process and to develop a modern interpretation of these ideas and principles which reflect the objective reality of today's world and the accumulated experience of the long history of the struggle of the Jamaican people. This document embodies that experience."

PATTERSON EXPLAINS RESULTS OF EEC-ACP MEETING

FL022015 Kingston DAILY GLEANER in English 30 Mar 79 p 23 FL

[By GLEANER political reporter]

[Excerpts] Foreign Affairs Minister P.J. Patterson said on Wednesday that while the EEC and the ACP [African, Caribbean and Pacific] states had "come a little closer to resolving some of their differences, the ACP felt that there are vast areas that need significant improvement, bearing in mind the experiences gained in the operation of the Lome Convention over the past three years.

He was speaking to the press about this month's meeting between the 57 member states of the African, Commonwealth and Pacific [as received] countries and the nine members of the European [Economic] Community at Freeport, Bahamas, to negotiate a successor convention to Lome.

Mr Patterson said that while ACP countries felt that significant improvement was needed in any new convention to be agreed upon, "the EEC countries believe that Lome has worked satisfactorily, with a need only for minor amendments here and there. They felt that the basic clauses should remain intact."

On the contrary, the ACP group felt that any new agreement should be more consonant with the demands of the Group of 77 for the creation of a new economic order. The group felt particularly strongly about this, he said, "against the background that Europe has been boasting that Lome is a model of the sort of relationship which should exist between developed and developing countries."

In response to queries about the operation of the European Development Fund [EDF], and the ACP's attitude to the circumstance that only 17 percent of the U.S. $14 billion available under the fund had been utilized in three years, Mr Patterson said the ACP had insisted and had received an undertaking from the EEC that the remaining 83 percent of the fund wound be "rolled over" into any new agreement, in addition to whatever new funds were made available for aid. He agreed that it was unlikely that the total fund would be utilized in the less than twelve months left for the Lome Convention to expire.

In this regard, the minister said it was a cardinal feature of undeveloped countries that they were not in a position to speedily prepare the plans for new projects. However, he charged the EDF with imposing a "cumbrous, dilatory process of evaluation of projects." In a number of instances, the evaluators had insisted on a study by those evaluating, and this resulted in long delays.

Asked to comment on the EEC's proposal for industrial cooperation, Minister Patterson said the ACP needed investment capital to develop new industries. A proposal had been made for the setting up of a fund, specifically for industrial cooperation. It had not yet been decided whether it would be operated independently or whether it would be set up as "a window in one of the special institutions." However, what the ACP wanted was money for development, not unnecessary bureaucracy. For this reason, it was looking carefully into the proposal by the EEC that prior consultation be done on proposed production, types of products and quantities to be supplied to the EEC. He said that while one wished to avoid the risk of producing goods for which there was no market in the EEC, the consultations to be held could not be in the sense of "giving us permission to set up industries in our countries."

Speaking of sugar, the minister said the sugar protocol still had four years to run, but added in response to questions that the ACP had been given an assurance by the British Government that it would not expand production of sugar beet, which could affect ACP sugar supplies on the EEC market and result in the unloading of surpluses on the world sugar market.

Mr Patterson said the ACP would be seeking an increase in the price of sugar supplied to the EEC, "but this is not going to be easy," he observed.

Supporting the minister was the permanent secretary, Mr Frank Francis, and Mr Allan Rickards, his press assistant.